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THE WEATHER — PARIS: Wednesday, Variable. Temp. 14-17 (59-63). Thursday, Variable. Temp. 15-18 (59-64). Friday, Cloudy showers and rather cool. Temp. 15-18 (59-64). Saturday, Cloudy with some sunbursts. Temp. 15-18 (59-64). Sunday, Cloudy with some sunbursts. Temp. 15-18 (59-64). NEW YORK: Wednesday, Sunny. Temp. 70-75 (21-24). Thursday, Sunny. Temp. 70-75 (21-24). Friday, Sunny. Temp. 70-75 (21-24). Saturday, Sunny. Temp. 70-75 (21-24). Sunday, Sunny. Temp. 70-75 (21-24).

ADDITIONAL WEATHER — COMICS PAGE

# INTERNATIONAL Herald Tribune

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## Cyprus Court Gives Death Penalty to 2 In Killing of Editor

NICOSIA, April 4 (AP)—A Nicosia court today sentenced two Palestinians to death by hanging after finding them guilty of premeditated murder in the assassination of a prominent Egyptian newspaper editor.

The execution of Samir Mohammed Qatir, 28, and Zayed Hussein Ahmed Alali, 26, was set for June 1. Their defense lawyer, Lefcos Cleides, said that he would appeal the verdict and the fixing of the execution date.

Conviction of premeditated murder on Cyprus carries a mandatory death penalty. But the president has in the past commuted death sentences to life imprisonment and the defense argued that since nobody had been executed on Cyprus for 10 years "the death sentence should be considered de facto abolished."



Samir Mohammed Qatir (making V sign) and Zayed Hussein Ahmed Alali are escorted to court.

## Also Asks Greek Aid U.S. Confirms Bid On Arms to Turkey

WASHINGTON, April 4 (AP)—The State Department yesterday confirmed that President Carter will ask Congress to end a three-year-old arms embargo against Turkey and to approve \$225 million in military aid to that country.

The decision represents a major shift in administration policy, which had been to await Turkish concessions toward ending the Cyprus dispute before approving any military aid.

Political figures strongly denounced the U.S. proposal.

"We should close the American bases [in Greece] immediately and withdraw irrevocably and definitely from the political and military sectors of NATO," said opposition leader Andreas Papandreu.

"Peace in the Mediterranean is in danger," said George Mavros, another member of parliament.

Cyprus Protesters  
NICOSIA, April 4 (UPI)—Cyprus Foreign Minister Nicos Rolandis summoned U.S. Charge d'Affaires Edward Dillery to his office.

(Continued on Page 2, Col. 8)

Mr. Sebai was a confidant of Mr. Sadat who accompanied the Egyptian President on his visit to Jerusalem last November and gave editorial support to his peace initiative with Israel.

The three-judge court ruled that the motive for the murder was the belief of both defendants that "Sebai harmed the Palestinian cause."

Hostages quoted the gunmen as saying that they disdained the Palestine Liberation Organization, the umbrella political and

guerrilla command headed by Yasser Arafat, and the PLO denounced the Sebai killing.

Presiding Judge Demetriades read the verdict in English and it was translated into Arabic for the accused. The process took more than three hours.

Testimony Cited  
The judge referred to the testimony of two prosecution witnesses that Qatir told them after the murder that he and Alali had come to Cyprus to kill Mr. Sebai

"because he was a friend of Israel and a spy." The editor was on the Mediterranean island for a meeting of an African-Asian solidarity organization of which he was secretary-general.

There "is no room for doubt in our minds the two accused killed Mr. Sebai in the execution of their well-prepared and pre-conceived plan," the judge said, adding that the pair "had ample time to reflect on their decision and desist from carrying out their intentions."

Neither defendant took the stand during the trial, and Judge Demetriades said: "The failure of the accused to give evidence in their own defense is a factor related to the issue of their guilt."

When the two arrived at the courthouse from Nicosia's central prison under armed police escort, they smiled and flashed victory signs to a crowd of reporters and photographers. But when they left under sentence of death, their eyes were fixed on the ground.

The announcement, made in Washington and Ankara, said that Mr. Carter also will ask Congress to authorize \$140 million in military credits for Greece. The aid to the two North Atlantic Treaty Organization allies is for the fiscal year beginning next September.

It added that the four-year, \$1-billion U.S. defense accord with Turkey, signed two years ago but never approved by Congress, would be renegotiated.

The presidential decision was known well in advance of the announcement — so much so that it was denounced by backers of the Greek Cypriots even before it was announced.

## Shipload of U.S. Wheat Is Heading for Vietnam

HOUSTON, April 4 (UPI)—The Antiochia set sail yesterday with a \$2-million cargo of wheat donated by U.S. farmers for the hungry citizens of Vietnam.

The Antiochia will be the first U.S. ship to enter that country's waters since the end of the Vietnam War.

The cargo of 10,000 metric tons was expected to arrive the first week of next month, near the third anniversary of the fall of Saigon.

A spokesman for the sponsoring National Council of Churches' Church World Service Division said that the ship was loaded during the weekend and began moving down the 50-mile Houston Ship Channel at about 10 p.m. Sunday.

## In Arrest of Mime Group Spanish General Accused Of Falsification of Record

MADRID, April 4 (AP)—Four lawyers have accused the former head of the Spanish Army, Lt. Gen. Francisco Coloma Gallegos, 66, of falsifying an official record, a crime punishable by dismissal from the service.

The charge, one of the most serious challenges to military authority since the Spanish Civil War, occurred three weeks after an army court sentenced three actors and an actress from Spain's leading mime group to two years in prison for insulting the army with a play. Gen. Coloma Gallegos ordered the actors put on trial.



Francisco Coloma Gallegos

## 19 Days After Abduction Premier Tells Parliament He Has No Data on Moro

ROME, April 4 (AP)—Premier Giulio Andreotti told Parliament today that 19 days after the kidnapping of former Premier Aldo Moro the government still does not know who kidnapped him or where he is.

Mr. Andreotti said that investigators were following significant leads.

As Parliament was in session, police in Milan said that the text of another letter purportedly written by Mr. Moro and addressed to his party's secretary, Benigno

Zaccagnini, was found along with another message from the Red Brigades.

Mr. Andreotti, speaking before news of the new messages, said that Mr. Moro, 61, president of the Christian Democratic party, had previously written three letters from captivity — one to the interior minister, one to his family and another to his aide.

"May God enlighten you. We hope that you do quickly what is necessary," Mr. Moro's latest letter concluded.

Battle in Congress  
Government and congressional sources predicted an uphill battle to gain congressional approval.

"Nobody is under the illusion that it's not going to provide difficulties," said an administration source.

Similar sentiments were expressed in Congress, which ignored appeals by the Ford administration and imposed the embargo after Turkey, using U.S. weapons, invaded Cyprus in July, 1974.

The cutoff was designed to force Turkey to reduce its occupation of about two-fifths of the island.

Turkey subsequently withdrew some troops and indicated a willingness to return some territory. But the occupation continued and Turkey eventually took over U.S. military installations and hinted that it would withdraw from NATO.

## U.S. Cites Cuba Buildup, Calls for Ethiopia Pullout

WASHINGTON, April 4 (AP)—The Carter administration yesterday criticized the continued Soviet and Cuban buildup in Ethiopia and again called for a reduction now that Somalia has withdrawn its troops from the Ogaden Desert.

The latest estimate is that 16,000 to 17,000 Cubans are in the country, with some of them based in Eritrea, where the central government is trying to suppress a rebellion. The Cubans are assisted by about 1,000 Soviet advisers.

The Cuban buildup conflicts with expectations raised by the State Department last month that Moscow would use its influence to bring about a reduction once Somalia withdrew from Ethiopia's contested Ogaden region.

The Barcelona lawyers representing the group charged in a formal complaint that the general, now commander of the Barcelona military region, signed a warrant for the arrest of the actors only after they had been detained.

The complaint was presented to the Supreme Court of Military Justice in Madrid today, the lawyers said.

## Rhodesia Adamant on Accord

SALISBURY, Rhodesia, April 4 (AP)—Rhodesia's new black and white rulers today welcomed the forthcoming visit by U.S. and British envoys but declared firmly that there "could be no departure" from the internal settlement that they signed a month ago.

In a statement after their meeting, the four members of the transitional government's Executive Council said that they would "be ready to give consideration to constructive ideas" when the envoys arrive — probably late this week or early next week.

Neutral observers interpreted this as neither acceptance nor rejection of the latest U.S.-British proposal for a new peace conference on Rhodesia, outlined Sunday by President Carter in Nigeria.

The four Rhodesian leaders — Prime Minister Ian Smith, Bishop Abel Muzorewa, the Rev. Ndabaningi Sithole and tribal chief Jeremiah Chimpen — have not rejected Mr. Carter's proposal.

[Secretary of State Cyrus Vance and British Foreign Secretary David Owen will meet in Dar es Salaam April 15 with Robert Mugabe and Joshua Nkomo, co-leaders of the militant Rhodesian Patriotic Front, to discuss implementation of the U.S.-British proposals for a Rhodesian settlement, the Tanzanian government news agency reported today.]

The British Foreign Office yesterday announced details of what course the latest peace initiative will take.

No public pledges  
Mr. Carter, in asking Congress to repeal the U.S. arms embargo, is not demanding any public pledges by Turkey to resolve the dispute over Cyprus. Turkish Prime Minister Bulent Ecevit has denounced any attempts to link the two.

Officials in Washington said it is the administration's "expectation" that Turkey would respond by making concessions toward ending the Cyprus dispute and by permitting restored U.S. access to at least some U.S. military installations which Turkey closed after the embargo went into effect.

Later in the day a senior U.S. official traveling with President Carter in Africa gave reporters an estimate of 16,000 to 17,000.

Confirming the higher estimate, a department spokesman said, "What is important is that with the Somali forces out of Ethiopian territory the number of Soviet and Cuban military personnel in Ethiopia, which is already excessive in our view, continues to grow rather than diminish."

"We believe," he added, "there should be an early and significant reduction."

The province of Eritrea in northeastern Ethiopia has a long coastline on the strategic Red Sea shipping lane for oil from the Gulf to Western Europe and the United States.

Representing *Els Joglers* — Catalan for the juggle-mime group — they also accused Gen. Coloma Gallegos's judge advocate, Gen. Pascual Vidal Aznarez, of falsifying records.

Army legal sources in Madrid termed the accusation against Gen. Coloma Gallegos unprecedented. Although they viewed the charge as a technicality, they said they could recall no case of a general's authority being questioned.

First, the U.S. ambassador to Zambia, Stephen Low, and the British deputy under secretary at the Foreign Office, John Graham, will hold preliminary discussions with the two Rhodesian guerrilla leaders, Joshua Nkomo and Robert Mugabe. Later, Mr. Low and Mr. Graham will meet Mr. Smith and the three moderate black leaders who signed the Salisbury accord.

Following that, the two envoys will confer with the heads — or their representatives — of the so-called front-line states that support and provide sanctuaries for the two rival guerrilla armies of Mr. Nkomo and Mr. Mugabe: Angola, Botswana, Mozambique, Tanzania and Zambia.

Carter Denounced  
SALISBURY, April 4 (UPI)—In an unusually bitter personal attack last night against this Southern, President Carter, a junior Rhodesian Cabinet minister has asked whether the President has any interest in Africa beyond plundering its resources.

"Instead of accepting with delight the peaceful transition of power from the white Rhodesian to the black Rhodesian," Andre Holland, deputy minister of immigration, information and tourism, said that Mr. Carter "appears to be prepared to ditch that agreement so as to please the Marxist agents."

Although the embargo against Turkey officially remains in effect, Congress actually lifted the embargo in part last year to provide \$175 million in military sales credits for Turkey. Mr. Carter is requesting a similar amount for fiscal 1979 as well as a \$50 million loan for military equipment. The administration also will ask for \$5 million in refugee assistance for Cyprus.

In Athens, two prominent political figures strongly denounced the U.S. proposal.

Red Sea Games Assailed  
NAIROBI, April 4 (AP)—Ethiopia's Marxist military government has strongly criticized the reported decision by Western powers to hold naval exercises in the Red Sea, Ethiopia's state-controlled radio said today.

It said a spokesman for Ethiopia's Ministry of Information and National Guidance yesterday called the action "provocative and intimidating" and designed to undermine the fragile peace between Ethiopia and Somalia in the Horn of Africa.

There was no comment from the army or from Gen. Coloma Gallegos's headquarters in Barcelona, but a newspaper reported that the general might be passed to the reserve list and replaced.

Sources close to the government of Premier Adolfo Suarez said that the Premier had been concerned by the political impact of the trial and its possible damage to the democratic image in post-Franco Spain.

Britain and the United States proposed a conference that will include the four Executive Council members, the two black Rhodesian guerrilla-backed leaders, and the five so-called African front-line states that support the guerrillas.

Erica Ravit, the daughter of an industrialist, was coming out of a store when the men forced her into a car.

Kidnapping in Italy  
Is First Since Moro  
MILAN, April 4 (AP)—Two masked men grabbed a 25-year-old woman here tonight in the first kidnapping in Italy since that of former Premier Aldo Moro on March 16.

"This unprecedented show of force in this part of the world, at this particular time, is not accidental," the Ethiopian radio quoted the spokesman as saying.

"The decision by the three NATO powers to stage naval exercises on such a massive scale is not only to intimidate Ethiopia, but to improve the morale of the Mogadishu regime."

The criticism by Ethiopia was in response to a Tass dispatch that quoted British media reports that U.S., British and French naval vessels were on their way to the Red Sea for maneuvers off the Ethiopian coast.

## 8 Palestinians Fined By Israeli Military

JERUSALEM, April 4 (AP)—Eight Palestinian students have been ordered to pay fines of \$6,116 each or spend a year in prison for demonstrating against Israel's invasion of southern Lebanon. Israeli military authorities announced.

The students, from Bethlehem in the occupied West Bank of the Jordan River, were convicted of disturbing the peace.

## Tales of Two Cities: Of Russians in Paris, Of Chinese in Moscow

3d Emigre Wave Starts Life on Familiar Ground  
By Murray Seeger

PARIS, April 4—Bounding up rue Lauriston, the young Russian emigre said broadly to two fellow expatriates.

"Wasn't it wonderful?" he asked, referring to the French government's election victory over the leftist alliance. "I spent the last week plastering conservative posters over the Communist posters."

## Isolation, Propaganda Limit Life in Soviet Capital

By Thomas Kent

MOSCOW, April 4 (AP)—Bitter relations between the Soviet Union and China have sharply changed the life of Moscow's Chinese community, once the honored representatives of the most powerful Soviet ally.

The shrunken corps of diplomats, journalists and businessmen who carry on China's few remaining contacts with the Kremlin live in near isolation in a city filled with anti-Chinese propaganda.

Now just over 100 persons live and work in the embassy compound, which was designed for many more.

There are no Soviet restrictions on the Chinese moving around Moscow. The Soviet policemen guarding the embassy do not interfere with employees and many Russians who meet Chinese are still friendly.

"When sometimes we go out, to places like the Lenin Museum and other exhibitions, I think the ordinary Russian people we meet relate well to us," an embassy spokesman said today.

(Continued on Page 2, Col. 6)

For a man whose formative years were spent in the Soviet Union, where the Communist party has an absolute monopoly on all political activity, the hotly contested French election campaign had been a heady experience.

But it was only one of many exhilarating, frightening and confusing experiences faced by a wave of emigres who had followed a well-worn path from the Soviet Union to Paris.

These emigres are the third wave to descend on Paris since the turn of the century, when Russian liberals fled after their attempts at political and social reform were squashed by Czar Nicholas II.

A second wave, by far the largest, left Russia at the time of the Bolshevik Revolution in 1917. The third, which consists mainly of Jews, started with the 1967 Middle East war and is still in progress. It has become an international cause.

Third Largest Group  
Most of the new wave settled in Israel. The next largest group went to the United States and the third largest group came to France.

A high proportion of those who chose France have found their way to Paris and the old Russian emigre centers.

"One old emigre said that the rue Lauriston was a nice street except there were too many French people living here," Vladimir Maximov, one of the new wave, recalled the other day.

The street passes not far from the Arc de Triomphe, and along it are a Russian nightclub as well as the offices of "Kontinent," a quarterly that carries articles by emigres and by dissidents still in the Soviet Union.

The Paris Soviet community is a powerful magnet for the steady stream of cultural figures who have defected. But it also lures those who resist temptation and go home.

"When a Soviet cultural figure (Continued on Page 2, Col. 5)

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(Continued on Page 2, Col. 6)



## Dilemma of Restraint vs. Support

# Syria Feels Pressure of Palestinian Cause

DAMASCUS, April 4 (UPI)—The Israeli invasion of southern Lebanon has put new strains on the uneasy relationship between Syria and the Palestinian guerrillas and revealed internal pressures on the government of President Hafez al-Assad.

Embarrassed by its inability to do more than token military assistance to the Palestinians, Syria also angry at the Palestinians for having put this country in an awkward position.

"The Palestinians have to make a choice or nobody would pay any attention to them," an official on Assad's staff observed. "But there is a proper time for it."

Officials here are even more recent than usual in discussing Syria's role in Lebanon, but they limit that Assad is walking a narrow and treacherous path between his needs to restrain the Palestinians and to continue presenting himself as their patron.

According to Syrian, Palestinian and foreign diplomatic sources here, Assad was being urged by influential political and religious figures to join the Palestinians in their fight against Israel.

At the same time, however, Syrian interests lie in avoiding a war with Israel, reducing tensions in southern Lebanon so Israel will withdraw, and bringing enough stability to Lebanon so Syria can pull out the 20,000 troops it has stationed there since the civil war ended in 1976. None of those interests would have been served by intervention on the Palestinian side during the Israeli invasion.

What Assad has done is put diplomatic and logistical pressure on the Palestinians to persuade them to stop shooting in the south while continuing to proclaim Syrian support for their cause and avoiding a direct confrontation between his armed forces and theirs. In this way he

## Accused Nazi Loses Acquittal Bid in U.S.

CHICAGO, April 4 (AP)—Judge Julius Hoffmann yesterday turned down a motion for acquittal of accused Gestapo agent Frank Walus. He said that the defendant had committed war crimes, was a member of the Gestapo and concealed information when he obtained U.S. citizenship.

Walus, a 55-year-old retired laborer who immigrated as a refugee from Nazi Germany, has been accused by 11 prosecution witnesses of killing Jews in Poland during World War II. He faces

employment of United Nations troops.

Assad signaled the approach he was going to take to the southern Lebanon crisis in a recent interview with Newsweek. He said Syria would allow weapons and equipment to flow across the border to the Palestinians fighting in Lebanon but he also insisted that "Israel's plan will not draw us into positions of adventurism."

This showed up in practice with the announcement that the Arab peacekeeping force in Lebanon was cutting off the flow of weapons and supplies to the Palestinians in Lebanon in an effort to bring the situation under control. That force is dominated by Syria and virtually dictates policy in Lebanon, but the Syrians insisted the next day that the decision was made by Lebanese President Elias Sarkis, not by them.

Their policy, they said, was to continue helping the Palestinians. Observers here say that Assad has been under pressure to encourage and support the Palestinians rather than curb them, even if that meant taking on the Israelis.

Some officials of the civilian wing of the ruling Baath Socialist Party were reportedly arguing that Syrian forbearance and caution had resulted only in the occupation of more Arab land by Israel, and that it was time for a dramatic riposte that would have provoked a Middle East cataclysm.

"Ever since the 1973 war we have been patient. Look at the situation of the Golan Heights. Not one shot did we fire at them. And we said we were ready for peace. But now we see their response and it's time for us to act. We have to choose," said a prominent civilian official who espoused this view.

But Syria's military commanders, and Assad himself, are reportedly reported to understand that this country would be devastated in a war with Israel, especially since Egypt might sit it out rather than help.

There apparently was also some religious pressure on Assad, if not to intervene directly on the Palestinians' side, at least to give them more assistance.

Assad is a member of the minority Alawite sect of Islam, which represents only about 10 percent of the population and is scorned by the majority Sunni Moslems.

A dozen or more prominent Alawites have been assassinated in the past year, and Assad reportedly fears that factional strife might jeopardize the unity of the nation. Under the circumstances, he could not allow the Sunnis to think he was supporting the Jews of Israel and the Christians of Lebanon against the Moslem Palestinians.

Furthermore, Syria continues to aspire to political leadership of the Arab world, an aspiration that is at least partly responsible for this country's long feud with Egypt and Iraq, rival claimants.

In playing that game, it is important to be seen as the champion of the Palestinian cause. The Syrians were jolted, according to sources here, when Palestinians in the Yarmouk refugee camp out-

## El Al Cancels Flights In Dispute Over Pay

TEL AVIV, April 4 (UPI)—El Al Airlines suspended operations today in a dispute with workers seeking higher pay.

The indefinite suspension was made after workers called morning meetings and planned additional sessions that would interfere with flights rescheduled for the afternoon, a company spokesman said.



President Hafez al-Assad

side Damascus rioted in protest against Syria's alleged failure to do enough for the guerrilla fighters who were standing up to the Israelis in Lebanon. Three persons died in that incident.

Despite all those pressures, Assad bowed to two superior realities in deciding to stay out of the southern Lebanon action, observers here say. One is the clear military superiority of Israel. The other is Syria's military, economic and political need to extricate itself from involvement in Lebanon, not to plunge in deeper.

## Wave of Russian Exiles Settles in Paris

(Continued From Page 1)

comes to Paris, the first thing he does is register at the Soviet Embassy," Mr. Maximov, who is "Kontinent's" editor, said. "The next thing he does is come here."

Such visits must be circumspect, however, because official Soviet travelers are rarely allowed much unsupervised free time and because the Soviet secret police keep close watch on the community.

There is, nonetheless, a constant flow of visitors along rue Lauriston, and the "Kontinent" offices and Mr. Maximov's apartment nearby are regularly filled with gossiping visitors relating new and old rumors from Moscow.

## Uncensored Manuscripts

Mr. Maximov is overwhelmed with manuscripts from émigrés and from writers in the Soviet Union who want their work published in uncensored form. It makes it difficult for him to keep up with his own writing.

"Look at this," he said to a recent visitor. "This arrived in just one day and it could fill half of the next issue."

Among the material was a report that Russian Pentecostals had typed on a woman's scarf to get it past the Soviet customs officers. There was also an article from Alexander Solzhenitsyn, the exiled writer who now lives in Vermont.

Even though Mr. Solzhenitsyn has had his differences with the "Kontinent" group, he continues to keep in touch and he supports the cause of free writing everywhere.

The forced exile of Mr. Solzhenitsyn was accompanied by the departure of many other writers.

Now a new generation of talented writers seems to be developing. Their manuscripts are just beginning to filter through to the West. Coincidentally, there is a new crackdown on dissident writers.

In Paris, the underground manuscripts must compete with the work of the émigrés for space in "Kontinent," which is supported by the West German publishing combine headed by Axel Springer.

## Successful Publication

"Kontinent" is by far the most successful of the émigré publications, with editions in Russian and eight other languages. But there are three other such publications struggling to survive, including the weekly newspaper "Messager," which was founded more than 30 years ago.

"Any émigré publication that exceeds 3,000 circulation is a best-seller," Mr. Maximov said. "We are now printing 4,500 copies in Russian."

"Kontinent" is small enough to be tucked into a handbag or pocket and carried into the Soviet Union. Mr. Maximov thinks that about 1,500 copies of each issue make it back to the homeland.

More than 7,000 third-wave émigrés have been registered in Paris, about the same number as in the first wave but far fewer than the second wave, which included about 175,000 Russians.

The community is divided into political and artistic factions and

## As Israel Thins Out Forces Lebanon Situation Held Tense

BEIRUT, April 4 (UPI)—Lebanese Foreign Minister Fuad Boutros said today that the ability of the UN force in southern Lebanon to impose security would be a test of the United Nations' effectiveness as a peace-keeper.

Mr. Boutros spoke as rightist leader Camille Chamoun warned that the situation remained dangerous and "susceptible to renewed war" despite an Israeli announcement that it is thinning out its forces in the area.

After a meeting with the UN Middle East commander, Lt. Gen. Ennio Silasvuo of Finland, Mr. Boutros said that he was "not pessimistic" even though the UN resolution establishing the force in Lebanon had not yet been fully implemented.

"The Security Council resolution is bound to be implemented in Lebanon because this will test the effectiveness of the United Nations, its future and its ability to impose peace settlements," he said.

The foreign minister said that he hoped "agreement on a timeta-

ble for Israeli withdrawal will be reached soon."

Gen. Silasvuo said that he was "in no position to speak about" Israel's withdrawal plans.

## "Incomplete, Rushed"

Mr. Chamoun, meanwhile, criticized the UN resolution providing for the force and calling for withdrawal of Israeli troops as "incomplete" and "rushed." He said that it should be revised to include more UN troops and, apparently referring to Palestinian guerrillas, said that it should "put an end to any presence that will endanger security."

Gen. Silasvuo flew to Beirut from Israel today for talks with Mr. Boutros on progress made in the deployment of UN troops. The troops today were patrolling key positions just north of the Israeli front lines.

Quiet prevailed in the region for the 14th day, but observers said that both Palestinian guerrillas and the Israelis were digging in along cease-fire lines.

"The Israeli defense forces be-

gan significant thinning out of its forces stationed in southern Lebanon about a week ago," the Israeli Military Command said yesterday.

An army spokesman said that the movement of troops and armor out of the region was being coordinated with the UN Command, which sent 50 truckloads of men and equipment into the southwest sector yesterday.

## "Strategic Hills" Retained

Reports reaching Beirut from the eastern border area said that Israeli troops have left the rightist enclaves of Marjayoun and Kila and handed them over to Col. Saad Haddad, the pro-Israeli commander of the fragmented Lebanese Army.

Travelers from the Marjayoun region also reported a thinning out of Israeli troops in the eastern sector and said "the Israelis are now holding on to only a handful of strategic hills in the region."

Beirut press reports today said that the Lebanese government intended to establish its authority in the south for the first time in two years, starting this week. According to the reports, a unit of about 20 Lebanese internal security men would begin patrolling the coastal road between the ports of Sidon and Tyre today, to be followed by a larger force of national police.

In New York, the United Nations said that nearly half the planned 4,000-man force is in place.

Soldiers from Norway, Sweden, Iran, France and Nepal guarded three major bridges and other key positions along the Litani River, the northernmost boundary of Israel's retaliatory strike zone against guerrilla strongholds.

## Talks to Resume

In Jerusalem, U.S. Ambassador Samuel Lewis predicted that Israeli Defense Minister Ezer Weizman would resume his talks with Egyptian leaders in Cairo "in a week or so."

Mr. Lewis met with Prime Minister Menachem Begin to discuss ways of restarting peace negotiations—including a possible visit to Washington by Foreign Minister Moshe Dayan and a new Middle East shuttle tour by Assistant Secretary of State Alfred Atherton.

"I feel sure there will be more contacts in the not very distant future," Mr. Lewis said.

In another development, Mr. Dayan and Romanian President Nicolae Ceausescu yesterday held talks in Bucharest on the Middle East. Romania is the only Eastern European country to maintain full diplomatic relations with both Egypt and Israel. Mr. Ceausescu helped arrange Egyptian President Anwar Sadat's visit to Jerusalem last November.

## U.S. Moves To End Ban

(Continued From Page 1)

office today and handed him a written protest against the U.S. administration's proposal to lift the arms embargo on Turkey, a spokesman said.

Authorities launched "possibly the toughest security operation mounted by police and the national guard" outside the U.S. Embassy as leftists called for anti-U.S. demonstrations.

Barbed-wire barricades erected by the national guard sealed all approach roads to the embassy, situated near the Hilton Hotel, and to the American Cultural Center in downtown Nicosia.

## Everitt Welcomes Move

ANKARA (UPI)—The Lifting of the U.S. arms embargo against Turkey would facilitate a Cyprus peace settlement, Premier Bolent Everitt said at a news conference today.

"The continuation of the three-year-old embargo has made it difficult to find a breakthrough in the Cyprus impasse," he said.

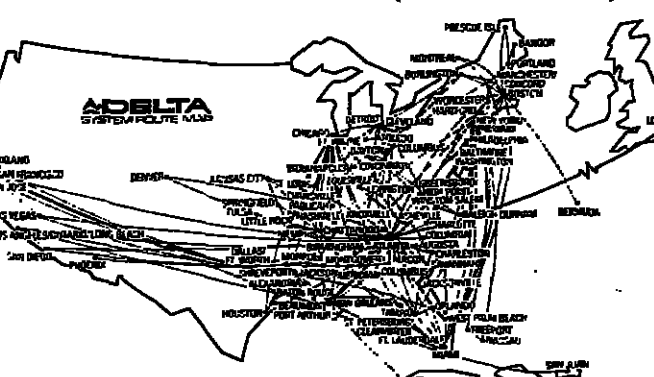
"The embargo has been considered an element of pressure against Turkey, obstructing the Cyprus negotiations and increasing the intransigence of the Greek Cypriots," he said.

He said that reopening of two dozen American intelligence gathering installations on Turkish soil will "depend on the re-negotiation of the defense cooperation accord" with Washington.

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Delta's Flight 11 leaves London every day at 12:10pm and arrives in Atlanta at 4:25pm, in New Orleans, at 6:45pm. Coming back, Delta's Flight 10 leaves New Orleans at 2:45pm, Atlanta at 6:30pm and arrives in London at 7:20am. (All times are local).



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	To Atlanta	To New Orleans
Basic APEX (Advance Purchase Excursion) Fare*	\$214.00	\$278.00
22-45 Day Basic Excursion Fare†	\$263.50	\$318.50
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## 16 Die in Small Town

A Cancer 'Cluster' in N.J.  
—Search for Explanation

RUTHERFORD, N.J., April 4 (AP)—Officials will take air and water samples this week in a search for clues to explain why 16 persons in a small community—including at least six pupils at the same school—got cancer over a three-year period.

But if the experience of similar incidents of cancer "clusters" in other areas holds true, the outbreak in Rutherford may go unexplained even after all the data is gathered.

"The cluster problem has hung around a long time," said Dr. Glyn Caldwell, chief of the cancer branch of the Center for Disease Control in Atlanta. "We have looked at it long and hard and have gotten nowhere."

He said that the Rutherford situation could be a statistical quirk, but added: "You are forced to look at it to see if there is another cause."

Dr. Caldwell estimated that for the age group of 5 to 10, the aver-

age death rate from cancer would be 7 to 8 for each 100,000 persons.

Radiation samples at the 760-pupil Pierrepont Elementary School where at least six cases were reported—three of the children died—have turned up negative.

"We've been deluged with calls, calls upon calls," Rutherford Health Officer Henry McCafferty said yesterday. "I'll tell you what I told them—we are investigating it fully. We're trying to allay the fears of a lot of people."

He said that in addition to 14 cases already known, two new cases turned up yesterday—involving a child and an adult living in the vicinity of the school. It was not immediately known whether the child attended the school or whether either of the two had died.

Dr. McCafferty said that made a total of 13 Rutherford residents



Wesley Van Winkle  
...one of the victims.

and 3 from nearby towns who had developed leukemia, Hodgkin's disease and lymphoma during the last three years.

Similar clusters of cancer cases during the last 30 years have mystified health experts who do not know whether the cases were linked or were simply a statistical oddity.

Rutherford is a community of 20,000 near the heavily industrialized New Jersey meadowlands just west of New York City.

## Carter Neutron-Bomb Decision Expected

By Walter Pincus

WASHINGTON, April 4 (WP)—President Carter is expected to decide this week whether to order production of the neutron 9-inch artillery shells and Lance-missile warheads, according to administration sources.

"No final decision has yet been taken," an administration official said last night, "but one way or another, we expect it to happen this week."

The President has delayed deciding for more than seven months, awaiting an agreement that a production go-ahead would have public support from NATO allies on whose soil the weapons would be deployed.

Getting that NATO backing has proved more difficult than the President or his aides had expected.

Two weeks ago, Mr. Carter suddenly canceled a NATO negotiating session in Brussels that was moving toward a joint production announcement. Up to that point the President, his chief

White House aides and Cabinet members had repeatedly spoken in support of the new generation of tactical nuclear weapons.

[The New York Times said today that Mr. Carter had decided against neutron weapons production. The Times said that aides hope to persuade him to announce an indefinite delay in production rather than a cancellation, thus leaving an option to go ahead later.]

## Key Role

Defense Secretary Harold Brown, according to administration sources, will play a key role in advising Mr. Carter on the weapon. Mr. Brown reportedly was the official who suggested

that the NATO allies be asked to join in the public declaration preceding a production decision.

Even in his statements supporting neutron weapons, Mr. Brown has noted that they were desirable, rather than necessary, in upgrading NATO forces.

Unlike nuclear artillery shells and missiles now in Europe that destroy enemy targets primarily by heat and blast, neutron weapons kill essentially by radiation.

Proponents say that they would cause less collateral damage to cities and towns adjacent to the battlefield and thus are more likely to be used than comparable weapons now deployed. This, they say, makes them a better deterrent to Warsaw Pact forces.

Opponents argue that the new weapons would lower the threshold of nuclear war because commanders would recommend their use earlier than shells and missiles now stockpiled in Europe.

It is the latter argument that has raised concern among political elements in Europe who fear, for the first time, the possibility of nuclear weapons being used on their own soil.

## Soviet Propaganda

This fear has been fanned by the Soviet Union, which has called the neutron weapons a dangerous new development in nuclear warfare.

The Netherlands parliament re-

Carter Message  
On Energy Not  
Heard, Poll Says

HERSHEY, Pa., April 4 (AP)—Pollster George Gallup Jr. said yesterday that President Carter's efforts to change public views about the U.S. energy situation apparently have failed.

"Only about 4 in 10 Americans feel the energy situation is fairly serious," Mr. Gallup said at a consumer energy conference here. Incomplete results from a Gallup poll taken late last month reveal that there has been virtually no change in public opinion since Mr. Carter's assertion last spring that the energy question was the "moral equivalent of war," he said.

Mr. Gallup, president of the Gallup Poll of Princeton, N.J., said that 40 per cent of all Americans still are not aware that the United States depends on foreign oil to meet its energy needs.

A Gallup poll taken earlier last month showed that 33 per cent of those questioned considered inflation as the most important problem facing the United States. Energy was seen as the priority by only 23 per cent of those polled.

## Mousetrapped in Italy

LOCRI, Italy, April 4 (AP)—An inmate complained to prison officials in this south Italian community that his bottle of wine contained a mouse. Officials began an investigation—both into the wine and how the inmate could have obtained wine while in prison.

## 'Ugly American' Image Found Hard to Counteract

## Africans Wary Despite Carter's Effort at Conciliation

WASHINGTON, April 4 (AP)—President Carter, the first U.S. leader to make a determined effort to identify his administration with the concerns of black Africa, is back from a pathfinding mission there with Africans still wondering if he means what he says.

Mr. Carter returned to the White House last night after a weeklong journey to the Third World, expressing confidence that "the day of the so-called

Ugly American is over." He told welcoming crowds that the crowds which greeted him in Africa and Latin America were responding to "what we stand for in the world."

During the nearly 10-hour flight home from Africa, however, an administration official told newsmen aboard Air Force One that black leaders on that continent continue to question Mr. Carter's sincerity and ask "if we really do mean what we say about Africa."

Richard Moose, assistant secretary of state for African affairs, said these lingering doubts came up during the President's talks in Africa.

## American Rhetoric

In Nigeria, the richest of the black African states, the question of U.S. rhetoric as contrasted with actions was raised publicly when Mr. Carter was introduced to deliver a major policy statement on Africa.

The questions that remain unresolved in African minds were posed directly to Mr. Carter by the head of the Nigerian Foreign Affairs Institute, which spon-

sored the U.S. President's appearance.

The Nigerian visit probably was the most significant, and certainly the lengthiest, along Mr. Carter's 14,575-mile route that also took him to Liberia, Brazil and Venezuela.

Lt. Gen. Olusegun Obasanjo, the leader of Nigeria's military government, which has promised to institute civilian rule next year, seemed ready, judging by his public statements, to accept Mr. Carter's repeated pledges to promote black aspirations for majority rule in parts of Africa now governed by white minorities.

However, Mr. Moose said the Africans "still wonder if we really mean it, if we will really be there when the crunch comes."

In proclaiming the end of the day of the "Ugly American" Mr. Carter said, "I never saw among the hundreds of thousands of people who welcomed us, a subtle gesture or sign or poster or indication of anything except friendship."

Reporters who accompanied the President would agree there were no protests. However, Mr.

Carter may have exaggerated the size of his welcoming crowds—they were sparse in most countries.

And they noted that Mr. Carter generally avoided direct contact with curbside gatherings, except in Liberia, his last stop—where he made his only appearance with head raised above the open top of his armored limousine.

The President's major public appearance in Venezuela, at the tomb of national hero Simon Bolivar, attracted 2,000 persons. In Brasilia, street crowds were thin. Nigerians appeared in sizeable numbers, but many were the victims of traffic jams created by presidential motorcades.

In Liberia's capital of Monrovia, tens of thousands broke ranks and swarmed around the motorcade as a local radio announcer shouted: "The crowd has gone wild. There is absolutely no control. This is impossible."

For Mr. Carter, that should have been a satisfying end to an arduous journey in which the President received four 21-gun salutes in a single day.

## U.S. Woman Priest

## Files for Divorce

INDIANAPOLIS, April 4 (UPI)—The Rev. Jacqueline Means, the first woman ordained a priest in the Episcopal Church, has filed for divorce.

She brought suit for dissolution of her 25-year marriage to Delton Means, a truck driver, in Marion County Superior Court. The suit said there has been an "irretrievable breakdown" of the marriage and the couple separated two weeks ago. Rev. Means, 41, became the Episcopal Church's first regularly ordained woman priest on Jan. 1, 1977.

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## News Analysis

## Problems Plague Drafting of Spain's Constitution

By Stanley Meisler

MADRID, April 4—The government of King Juan Carlos and Premier Adolfo Suarez had hoped that Spain could produce a new, democratic constitution without controversy and without a referendum. That hope has now been dashed.

The government and its main opposition, the Socialist Workers' party, are attacking each other in public over constitutional issues. The Socialists have even withdrawn their representative from the special parliamentary committee that is drafting the constitution.

The first draft of the constitution has evoked little enthusiasm. After reading it, Julian Marias, a respected historian, wrote, "I must confess that this draft is the first serious blow to the political optimism that has sustained me for the last two years."

Premier Suarez has complained

that controversy is causing delay and that delay creates problems.

Yet, despite all this fretting, it seems likely that the Cortes will approve a constitution in the next few months and submit it to a national referendum. The government's target date is still June.

There is little doubt that Spain needs a new constitution. The government is still operating under the "fundamental laws" of the late dictator Francisco Franco. Mr. Suarez, for example, was appointed Premier by the King, not elected by the Cortes.

## Committee of Seven

Soon after the parliamentary elections of last June 15, the Cortes appointed a committee of seven to prepare a draft constitution. The committee consisted of three members of the Suarez center-right party, a rightist member of the opposition, a Socialist, a Communist and a Catalan.

They met in closed session at Gredos, 90 miles west of Madrid, under an agreement that they would reach their decision by consensus. Under this concept, all sides would give a little on each issue until an acceptable compromise was reached.

Premier Suarez and most of his Cabinet bureaucrats were uncomfortable with public debate over major issues. They believe that the most sensitive and significant issues should be ironed out in private without unseemly argument.

The constitutional committee produced its first draft at the end of last year. In its most important provisions, the draft constitution provided for a parliamentary system under a constitutional monarchy and for a decentralization of the Spanish state into relatively autonomous regions.

The King would have certain powers to arbitrate and advise. He would nominate the premier subject to approval by the Cortes and could dissolve the Cortes if it repeatedly turned down his nominations. He also would have the right to call a meeting of the cabinet under his leadership.

In its provisions about decentralization, the draft constitution would allow autonomous territories, empowering them to raise revenues, organize a supplementary police force, direct some aspects of education, provide local public works, regulate regional agriculture and commerce, and legislate other local matters. But those activities would be subject to veto by the government in Madrid and taxing powers would be regulated by the Cortes in Madrid.

Despite the government's hopes, the first draft hardly reflected consensus. After it was published, the various political parties offered 1,133 amendments to it.

The most upsetting criticism, however, came in a long series of newspaper articles by the historian Marias. He described the draft as a work of mediocrity without

## St. Lawrence Reopens

MONTREAL, April 4 (AP)—The St. Lawrence Seaway officially opened its 1978 season today when a French vessel passed through the St. Lambert Lock on its way to load a grain shipment in Toledo, Ohio.

any sign of political imagination or intelligent reflection.

Mr. Marias suggested that the drafters scrap their work and start anew.

Instead, the committee of seven took the first draft and the 1,133 amendments back to Gredos and tried again to reach a consensus. Once more, they worked in secret.

The silence was broken on March 6, when Gregorio Peces-Barba, the Socialist representative, withdrew from the proceedings and accused the representatives of the Union of the Democratic Center, the government party, of reneging on some agreements.

## Broke Consensus

According to Mr. Peces-Barba, the committee had agreed that the parties would compromise on all issues so that the second draft could be presented to the Cortes without any amendments. But

the Socialist went on, the government, after a consensus had been reached on most issues, changed its mind on three issues and pushed through amendments that broke the consensus.

These changes, according to Mr. Peces-Barba, would recognize the Roman Catholic Church as a special institution within Spain, would make it impossible for the government to regulate the curriculum in subsidized religious schools and would give industrialists and businessmen the constitutional right of dismissing employees at will and of organizing lockouts.

Despite all this, the Cortes is likely to approve a constitution generally like the first draft providing for a parliamentary system, a constitutional monarchy and regional autonomy. But the debate on the fine points will not be limited to closed sessions. A grand and public debate looms.

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OFFICIAL OPENING — UN Secretary-General Kurt Waldheim in the Hague yesterday to attend opening of the Netherlands new Peace Palace, the building for the International Court of Justice, with Queen Juliana and the NATO secretary-general, Joseph Luns.

## News Analysis

## Social Unrest Is Reported to Be at Root of Violence in Iran

By Paul Hofmann

TEHRAN, April 4 (NYT)—When riots broke out in two Iranian cities earlier this year, the government said that a "black-red alliance" was at work. The same alleged alliance was blamed when rioting, attacks on banks and anti-Shah demonstrations erupted again in Tehran, Isfahan and elsewhere in Iran last week.

Black is the color of the turbans and cloaks worn by the leaders of Shia Islam, Iran's dominant faith. Red is the color of Communism.

The regime of Shah Mohammed Reza Pahlavi has for years asserted that "Islamic Marxists"—an underground coalition between ultraconservative Moslems and leftist extremists—are behind the illegal dissent and intermittent terrorism in Iran. But social tensions and political groundswells probably contributed more to the unrest than this "black-red" bogey.

Last week's outbreaks marked the end of the 40-day Moslem mourning period for the victims of riots in Tabriz in February. That unrest, in turn, marked the

end of mourning for demonstrators who died in January in the Moslem holy city of Qom. During the last few weeks, unrest has been building at universities where new anti-Shah slogans were chalked on walls. The police announced the arrest of more alleged subversives and the seizure of inflammatory literature.

Is all this the product of Islamic Marxism? Or is the Shah's authoritarian and paternalistic rule being challenged by other forces that have no legal outlet?

The questions are significant because this nation of 35 million, one of the world's principal exporters of oil and natural gas, is developing into an industrial and military power whose weight and ambitions are bound to be increasingly felt in the Middle East and elsewhere. Iran also is one of the world's many single-party states. Three years ago, the Shah decided that Western-style political pluralism would not work in his country and ordered the merger of three political groupings into the Rastakhiz (Resurgence) party. Its leader is the Premier, Jamsid Amouzegar.

Officials say that when Iranians vote in legislative elections next year they will be able to choose among various candidates

for each seat in the Majlis, the consultative assembly, and for half the seats in the senate. The press often publishes remarks by deputies and senators that are critical of the government, the bureaucracy and the economic planners. But there is never a word against the Shah and his dominance of national life.

Young, Western-educated Iranians who are moving into positions of responsibility appear to have become impatient with the cult of imperial personality. There are also stirrings from small opposition groups that are neither religious nor Marxist, but liberal or nationalistic. Last autumn, more than 50 well-known Iranians addressed an open letter to the Shah, demanding the release of all political prisoners and the end of the one-party monopoly.

Some of the signers had once been supporters of the long-outlawed National Front of the late premier, Mohammed Mossadegh, who briefly ousted the Shah in 1952. Other open letters were sent to the Shah by intellectuals and writers who protested against censorship. They received no reply, but during the last few months the government has noticeably eased its control of the press.

It is difficult to say to what extent the majority of Iranians outside the intellectual and economic elite identify with the monarchy. Several witnesses to the February riots in Tabriz said that thousands of demonstrators shouted "Down with the Shah!" Tabriz is a center of Shiite conservatism, as is the pilgrimage center of Qom.

The demonstrations in both cities were apparently started by religious militants who oppose greater freedom for women and other Shah-sponsored reforms. However, it appears that large numbers of Iranians who were not primarily motivated by religion joined to vent their hostility to the Shah and his Rastakhiz party.

Tabriz is the provincial capital of Eastern Azerbaijan. Officials contend privately that many Soviet agents are based in the province. "The pressure from the Soviet Union is tremendous," a Rastakhiz leader said. He recalled that Soviet troops occupied Azerbaijan during World War II and suggested that Moscow still coveted the region "and all of Iran" all the way to the Gulf. External subversion and intrigue may indeed figure in the disturbances.

but there are surely domestic causes as well.

Social discontent is one. Iran has attained an annual per-capita income of \$2,200, but this average, impressive by the standards of the developing world, is a statistical figment masking a wide gap between the wealthy elite and the poor in the villages and the urban slums. But opposition by the underprivileged seems still inchoate and largely unorganized. The Communist Tudeh (Masses) party, outlawed since 1949 and based now in East Berlin, is believed to have only a few thousand adherents at home. Extremist radical underground groups to the left of Tudeh, some with a terrorist fringe, are also thought to be small.

Anti-Shah activities in Iran and abroad are monitored and repressed by the all-pervasive National Intelligence and Security Organization, the secretive Savak. With his army, gendarmes, police and Savak, the Shah seems firmly in control. But U.S. officials appear convinced that the Shah thinks the time has come to liberalize the regime a little. They stand by a State Department report earlier this year which claimed that torture has not been used recently in Iran.

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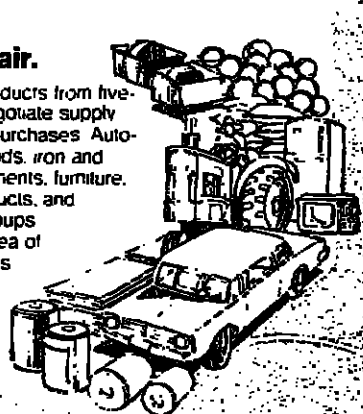
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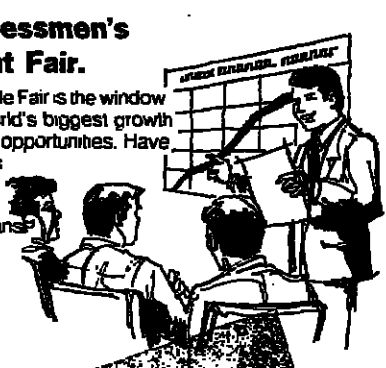
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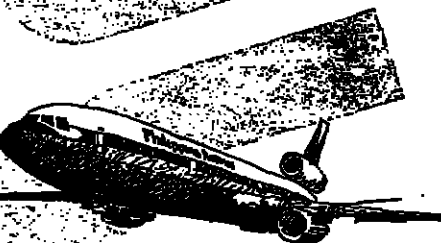
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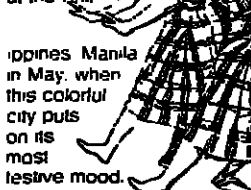
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## \$100 Billion Estimated Rise in Arms Budget Seen If SALT Ends

By Bernard Weinraub

WASHINGTON, April 4 (UPI)—The Senate Budget Committee has informed its members that the collapse of a strategic arms agreement with the Soviet Union could lead to additional defense spending reaching as high as \$100 billion over the next 15 years.

In a memorandum on national defense written by committee staff members, the senators on the budget panel were also told that Congress must face the question soon of whether to increase defense spending 3 per cent annually. Members of the Atlantic Alliance, including the United States, have vowed to increase defense budgets 3 per cent a year to meet the growth of Warsaw Pact capabilities.

In this year's military budget, however—advertised as the "NATO Budget"—the Carter administration is increasing Pentagon spending to a little more than two per cent over last year. But spending on NATO accounts for a jump of more than 3 per cent over last year.

"Although NATO's forces have also improved qualitatively," the report said, "there is widespread concern that the Communist countries are gaining significant military superiority which could be used against NATO in Central Europe."

The memorandum added: "In May, 1977, the NATO defense ministers agreed both to a program aimed at strengthening NATO's conventional military clout and to a goal of 3 per cent cumulative annual defense budget increases, in real terms, for all members."

"From the U.S. standpoint, a major consideration that Congress may address in determining how the 3-per-cent real-growth pledge applies to the defense budget is the meaning of the pledge itself," the report said. "Does it involve only the U.S. NATO commitment or all U.S. defense spending? Does it apply only to forces or also to logistics, support and intelligence activities?"

"Whatever the answers to these questions, this particular issue is crucial in determining the extent of real growth and, therefore, the direction and the policy and doc-

trine behind U.S. defense spending for several years."

In the report—which will form the basis for the budget decisions made by the committee members—the senators were told that the failure of a strategic arms limitation agreement between the United States and the Soviet Union would accelerate military spending.

At its maximum level, the report said, spending could increase between \$90 billion to \$100 billion during the next 15 years if an agreement failed and if the United States adopted a posture designed to match Soviet forces. This would include producing 300 mobile intercontinental ballistic missiles, buried in tunnels, as well as a sizable force of Trident submarines, cruise missiles and planes serving as cruise missile carriers.

### Accord Said to Be Near

NEW YORK, April 4 (UPI)—Paul Warnke, chief U.S. negotiator at SALT, said yesterday agreement has been reached with the Soviet Union on nearly all provisions of a comprehensive SALT-2 agreement.

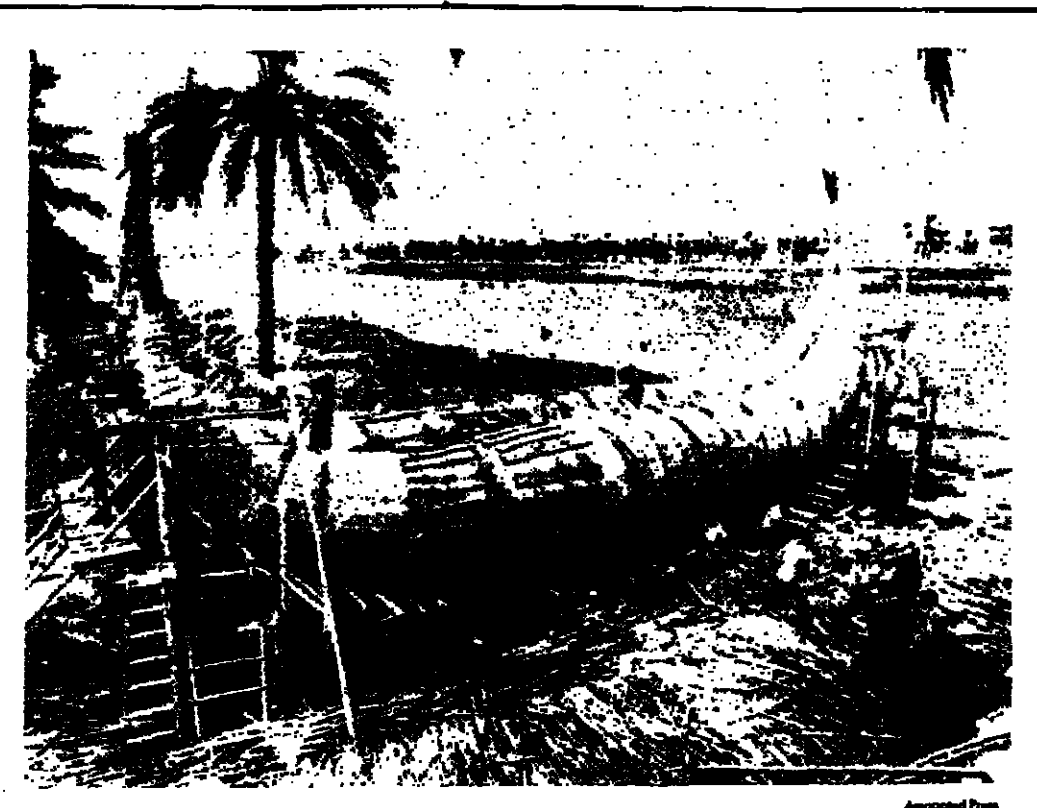
Mr. Warnke, in a speech at Columbia University, said, "There now exists a joint draft text of over 50 pages and it resolves well over 90 per cent of the issues." But resolution of remaining issues is "obviously difficult," Mr. Warnke added.

### Warning on Concessions

LONDON, April 4 (UPI)—Excessive concessions by the United States in a new SALT treaty could freeze U.S. strategic inferiority to the Soviet Union and encourage a Soviet nuclear surprise attack against the West, the Institute for the Study of Conflict has warned.

It said that negotiations "are thus uniquely significant in that a misjudgment, for whatever reason, by President Carter and his advisers could jeopardize the existence of the United States and with it the survival of the free societies of the West as we know them."

The report was written by an 11-man group of defense experts, Soviet analysts and political science specialists.



**BURNED IN PROTEST**—The reed boat Tigris, docked in Iraq last November, was burned yesterday in Djibouti by its owner, Norwegian explorer Thor Heyerdahl, and his crew to protest civil war in Ethiopia, which prevented the group from landing at port of Massawa.

### In Supreme Court Decision

## U.S. Limits Judge Role in Nuclear Suits

By Philip Hager

WASHINGTON, April 4—The Supreme Court, denouncing "judicial intervention in nuclear policy," ruled yesterday that federal judges may play only a limited role in government decision-making on nuclear power safety.

The justices served notice on lower courts to leave nuclear power regulation to the regulatory agencies established by Congress and the states. Unless judges find "substantial procedural or substantive reasons," they should not intervene, the high court said.

The court, without dissent, overturned a federal appeals court ruling which held that the Nuclear Regulatory Commission had failed to consider adequately the dangers of nuclear waste in approving licenses to two power companies for nuclear reactors in Vermont and Michigan.

In an opinion by Justice William Rehnquist, the justices rebuked the appeals court, calling its ruling "almost Kafkaesque" and "Monday morning quarterbacking."

"Nuclear energy may some day be a cheap, safe source of power or it may not," Mr. Rehnquist wrote. "But Congress has made a choice to at least try nuclear energy, establishing a reasonable review process in which courts are to play only a limited role."

"Time may prove wrong the decision to develop nuclear energy, but it is Congress or the states within their appropriate agencies which must eventually make that judgment."

The justices said that the courts should set aside regulatory agency decisions only for substantial reasons specified in laws passed by Congress—and "not because the court is unhappy with the result reached."

The Supreme Court's decision comes at a time when critics of nuclear power, expressing concern about its safety and feasibility, are turning increasingly to the courts to block or delay nuclear projects. The justices' ruling seemed likely to limit use of the courts as a means of opposing nuclear power.

Environmental organizations and other citizens groups had challenged the commission's licensing procedures in the two cases decided yesterday.

The citizens' groups contended that the Nuclear Regulatory Commission—known prior to 1974 as the Atomic Energy Commission—had failed to assess adequately the risks of nuclear waste disposal and reprocessing in authorizing three nuclear reactors in the two states. In the Michigan case, the groups also charged that the commission should have considered energy conservation alternatives to nuclear power.

The U.S. Court of Appeals in the District of Columbia had

ruled for the citizens groups, finding, among other things, that the commission had erred by not preparing environmental impact statements on the effects of nuclear waste disposal. The appellate court also instructed the commission that, before it licensed any more nuclear power plants, it must consider energy-saving alternatives.

### 'Unwarranted'

The Supreme Court expressed dismay at the "incredibly extensive review" involved in the case of one plant for which approval was first sought in 1969. The justices said that the appeals court's "unwarranted judicial examination" of the commission's procedures "can do nothing but seriously interfere" with the rule-making processes established for the agency by Congress.

The court, sending the two cases back to the appeals court to

reconsider, warned that the lower court should "not stray beyond the judicial province" or try to "impose upon the agency its own notion of which procedures are 'best' or most likely to further some vague, undefined public good."

The court's vote on the cases was 7 to 0. Justices Lewis Powell Jr. and Harry Blackmun did not participate.

Los Angeles Times

### London Communists

#### Receive Letter Bomb

LONDON, April 4 (AP)—A letter bomb exploded today at the Communist party headquarters here, slightly injuring caretaker Walter Barnes, a party official said.

The spokesman said that the device went off as the morning mail was being delivered and that Mr. Barnes was cut on his face and hands.

## Cost of College Seen to Rise By 6% This Fall

NEW YORK, April 4 (UPI)—The cost of a college education in the United States will go up by an average of 6 per cent in September, the College Board reported today.

Massachusetts Institute of Technology will be the most expensive college, charging \$8,500 for tuition, room and board. Other schools in the \$8,000 range include Bennington, in Vermont, \$8,390; Harvard-Radcliffe, and Yale, \$8,300; Brown, \$8,080; and Stanford, \$7,999.

The latest increase nearly equals the estimated U.S. cost-of-living rise, but is less than increases projected by the Congressional Budget Office for other consumer expenditures such as fuel (9.3 per cent) and medical care (8.8 per cent).

The expected college cost rises were announced by the College Scholarship Service of the College Board after an annual nationwide survey. The College Board is a nonprofit service organization whose members include more than 2,000 colleges, school systems and education associations.



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### Air Ceylon Ends

#### World Service

COLOMBO, Sri Lanka, April 4 (AP)—Air Ceylon, Sri Lanka's 30-year-old national carrier, which has an accident-free flying record but has earned a bad reputation both at home and abroad for delayed and canceled flights, has ended its international services.

The airline said it will operate only flights within the country and regional flights to Male, an island in the Maldives group, and Trincomalee, south India.

The minister of shipping, aviation and tourism, Wimala Kanangara, said a new airline, which the government will run in partnership with an as yet unnamed foreign concern, will take over Air Ceylon's international route.

### 4 Die in Mine Blast

ALEKSINAC, Yugoslavia, April 4 (AP)—A coal mine explosion killed four and injured 26, three of them critically, in this Serbian community yesterday night, an official announced today.

## Little-Known U.S. Agency Aids Those Careless With Their Cash

WASHINGTON, April 4—In the early 1900s, the madam of a brothel in Charlottesville, Va., distrusting banks, buried her business revenues in containers under the house.

Three years ago workers tore down the old bordello and some city residents, suspecting that money was hidden there, uncovered hundreds of mason jars filled with money in an advanced state of disrepair. Time had so weathered the greenbacks that the untrained eye could not tell whether the clients had paid with \$2, \$10 or \$100 bills.

That is where a little-known federal agency came into play—the Mutilated Currency Branch of the Bureau of Engraving and Printing, established in 1862 to reimburse those unfortunate whose money had been defaced by time, floods, fires, termites and other causes. After examining the money found under the old bordello, the bureau's experts determined that \$15,000 was redeemable, and that sum was sent to the happy finders.

To declare a damaged bill redeemable, the examiners must be able to identify at least half the note. Doris Hanford, assistant manager of the agency, said the largest claim ever filed with the bureau involved an armored car company. One of its guards had dropped a cigarette into a vault as he was locking it and 35 bags of money in the vault were set on fire. The company said that \$375,000 had been destroyed by the smoldering fire. "We were able to identify and replace all but \$20,000," Mrs. Hanford said.

Los Angeles Times

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San Francisco  
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Washington

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MEMBER OF ABECOR



## To Africa With Promises

President Carter's visit to Africa was no mere courtesy call. His administration's positions, shaped and articulated by advocates like Andrew Young, have led African governments to expect much from the United States. The President's own statements in Africa have added to those expectations and will increase the pressure to see them realized.

Carter mostly told Africans what they wanted to hear:

(1) On Rhodesia: The United States will continue to oppose, as not likely to lead to genuine majority rule, the "internal settlement" reached between Ian Smith and three lack leaders. (2) On Namibia: Washington will oppose any settlement that gives the appearance of independence and yet retains a dominant South African influence. (3) On South Africa itself: The United States will work for a peaceful transition to majority rule. (4) On development: It will do more to aid poor African countries. (5) On foreign intervention: The United States will aim to prevent Africa from again becoming a scene of great-power rivalries.

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These are all commendable goals. But except for saying that he would urge Congress to allocate a relatively modest \$125 million to replenish the African Development Fund, Carter gave little indication of how the administration intends to accomplish them.

Regarding Rhodesia, there is little more that the administration can do beyond refusing to recognize the "internal settlement" and hoping that the specter of civil war will cause all the parties to cooperate in UN-supervised elections for a new post-independence government.

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Regarding Namibia, the President noted that unilateral South African moves to create a client state would "precipitate a more serious difference" between Washington and Pretoria. But he did not say what action he might take.

And regarding South Africa's racist policies, he indicated that he was not now contemplating the kinds of economic pressure against Pretoria that Nigeria and other Africans call for. (Indeed, Zbigniew Brzezinski, the President's national security adviser, commented that curbs on U.S. trade or investment in South Africa are premature because significant political changes may soon occur there.)

Carter seems to be temporizing on South Africa. While the Pretoria regime has apparently shut the door to the participation of urban blacks in its national politics, the mood of militancy grows in capitals like Lagos. And Nigeria's economic power may soon be serving that mood if the expectations aroused by the United States turn out to be empty.

\*\*\*

On the question of East-West rivalry in Africa, Carter was right to deplore military interference by the Soviet Union and Cuba. He must have observed that his Nigerian hosts were much less worried than some of his own advisers or his political opponents at home, and, in any case, emphasized the right kind of response. Instead of arming its own African clients, he said, the United States would work to curb its arms sales and to induce others to show similar restraint.

\*\*\*

All around him in Nigeria and in Liberia, Carter surely saw the fruits of peaceful foreign involvement: extensive investment and intensive collaboration among Africans and Western businessmen. Even avowedly Socialist governments like that of Mozambique know they have little to gain from involvement with Moscow and Havana that curtail their independence. The strong currents of African nationalism are the best assurance that the policy declarations by Carter are appropriate. With this trip, he has forthrightly identified U.S. interests with those currents. But the nation's African journey has only begun.

THE NEW YORK TIMES.

## Without Martin Luther King

Who knows where Martin Luther King Jr. would have stood now had he not been gunned down in Memphis 10 years ago yesterday. His struggle for desegregation in the cities and towns of the Deep South was close to won. The drive for economic justice had begun. The trek to Memphis to support a strike of garbage workers seeking higher wages was symbolic of a new situation.

In losing Martin Luther King, black Americans lost a leader who better than anyone gave voice to their aspirations and added a powerful vision of the fair society. All Americans lost a moral force that compelled them to confront the evil of racism and the costs of inequality.

But something more was lost with Martin

Luther King. Even in the midst of rebellion, he had the American gift for searching out the "vital center," for building coalitions that stretched from the militant to the moderate and unified their objectives and tactics in a bold, nonviolent struggle. It was no easy task and on the day he was struck down, his own movement was visibly fragmenting.

Those who knew him, however, felt sure that he would find a way to shift the attack against segregation to the more difficult issues of economic integration without losing his hold on millions. His American dream survives. It is up to us to re-create his ennobling tactics.

THE NEW YORK TIMES.

## International Opinion

### Carter in Africa

President Carter's visit to Nigeria is the first by any U.S. president in office to black Africa. The fact is symbolic of the utter lack of interest which all U.S. administrations, until very recently, have shown in the dark continent, even though much U.S. history is bound up with it through ethnic ties. Times have changed. First the Nixon administration, through Henry Kissinger, now the Carter presidency, have woken up to the fact that Africa is a theater of power Washington cannot ignore. Better late than never, some might say; others would argue that a continuation of benign neglect would be preferable to the wrong policies enthusiastically applied. Mr. Carter and his principal officers unfortunately do appear to be making a wrong-headed approach.

All the evidence is that they think the best way to counter Soviet and other Communist penetration into Africa is to compete for favor with those countries most likely to welcome such penetration, rather than by actively supporting those most likely to resist it, thus Nigeria, Tanzania, Zambia, Mozambique, even Angola, are in the U.S. sights as desirable objects of loving courtship. Zaire (formerly a U.S. favorite), Kenya, Senegal, Ivory Coast, Malawi and others, who are distinctly opposed to Soviet and Cuban penetration, are seen as undeserving of blandishment. This policy can be seen at its most

glaring — and potentially disastrous — in connection with the tussle for Rhodesia. Mr. Carter should pause to reconsider whether his earlier easy-going opinion that the West should avoid inordinate fears of the spread of Communism is still true, and in particular whether it is true of Africa today.

—From the Daily Telegraph (London).

### Begin: Prisoner of Past?

Menachem Begin, already the despair of Israel's friends abroad, has now become the target of a mounting protest movement within his own country. This is one peace organization that cannot be caricatured as Communist-inspired or woolly.

It is being mounted by army veterans, men who have fought and lost blood to defend their homeland against Arab invaders. What they are demanding is that Israel announce its readiness to make territorial compromise on the West Bank of the Jordan. What they are campaigning against is Mr. Begin's rigid Biblical insistence on Israel's right to colonize this strip of land, so central to any stable Middle East settlement.

The protesters see Begin as a prisoner of the past and are not afraid to say so. The rally they held over the weekend... is the only Israeli gesture (an unofficial one, at that) remotely comparable in scale to President Sadat's mission to Jerusalem.

—From the Daily Mail (London).

## In the International Edition

### Seventy-Five Years Ago

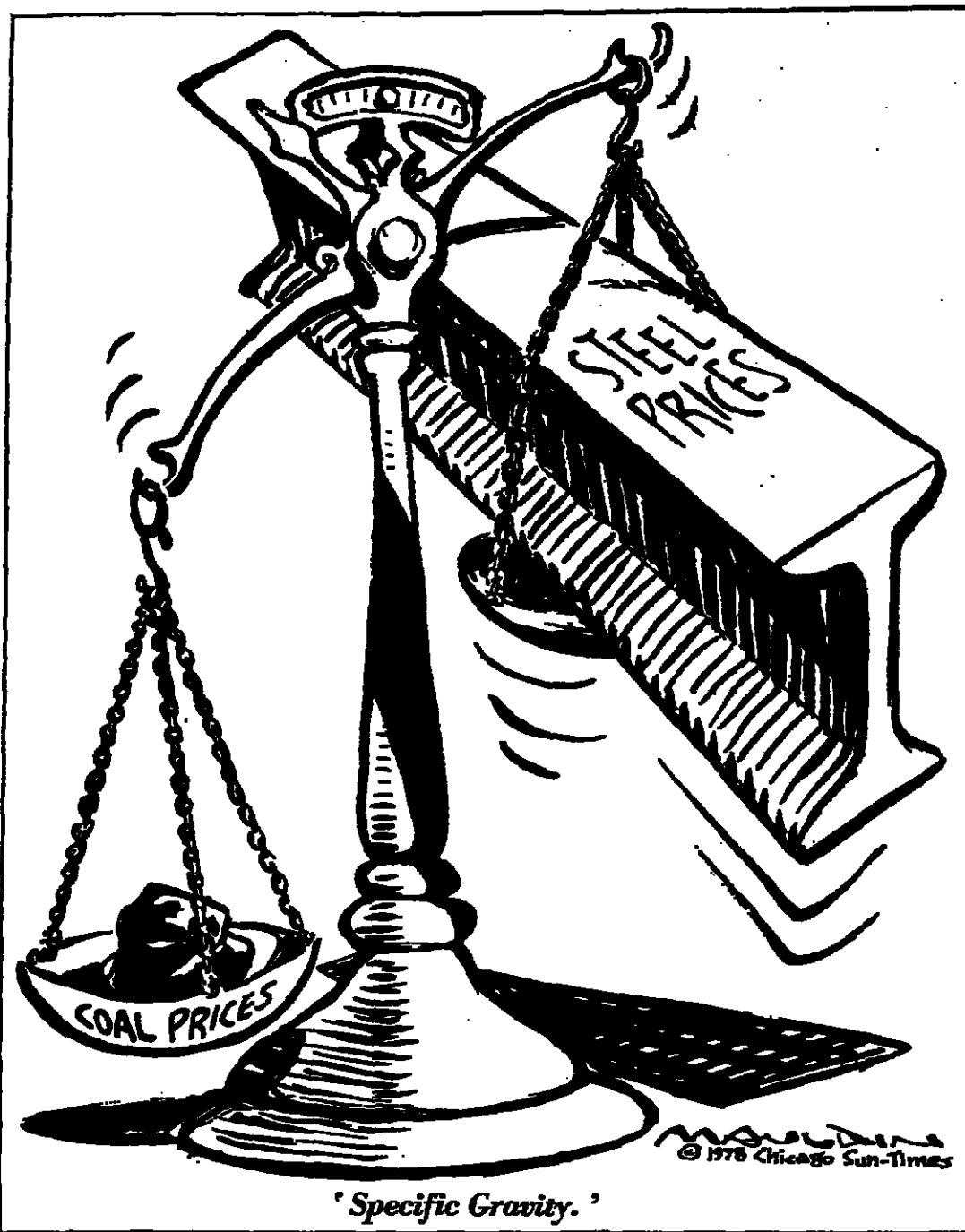
April 5, 1903

LONDON—Mrs. Margaret Neave, the well-known centenarian, died at Guernsey yesterday morning in her 111th year. She claimed to be the oldest living Englishwoman and, indeed, according to the records, she was probably right. She was a woman of wealth and resided at St. Peter's Port with two nieces. Her mind was alert to the end, and she remembered well when she entertained some of Napoleon's generals, including Marshal Ney.

### Fifty Years Ago

April 5, 1928

NEW YORK—The greatest peace emissary the world has ever known is the motion picture, for it tends to bring about amicable relations through entertainment, declared Mr. Will H. Hays, president of the Motion Picture Producers and Exhibitors Association of America, in a statement to the press today. Wars and lesser conflicts are caused because of misunderstanding, the movies will help to change all that, he said.



'Specific Gravity.'

## France and the World

By Helmut Sonnenfeldt

WASHINGTON — When the French people failed to give the parties of the left a popular majority in the first round of last month's election and then returned again in the second round, and gave the center-right government coalition a substantial majority of seats in the National Assembly, they voted, among other things, against potential major changes in France's relations with the outside world.

It is always hazardous to identify voter motivations, and I do not contend that foreign policy issues were uppermost in the minds of French voters on March 12 and 19. President Valéry Giscard d'Estaing, indeed, in his election-day address to the French people took special note of the fact that "France's international position" had been little mentioned during the campaign. Nevertheless, it is also worth observing that Giscard d'Estaing used a considerable portion of that otherwise rather compact speech to remind Frenchmen of the "essentiality" of the issue. His own judgment, therefore, must have been that Frenchmen were in fact concerned about the implications of the policies and makeup of a left

ist government for France's role in the world.

### Danger

It is true that Giscard d'Estaing's appeal to the voters to be "attentive to the reputation of France" was couched in terms that had old-fashioned Gaullist overtones — the danger that France would become a debtor nation and that Germany would gain in relative weight in the European Community. But his own and Prime Minister Raymond Barre's record and that of their government, had clearly been one of seeking to deal with France's problems in the broad context of its international ties and obligations. While this orientation was shared by many of the Socialist leaders, including notably, Francois Mitterrand himself, this plainly could not be said of the Communists. Everything the Communists said before the election about the policies they would insist on as members of a left government — in which, moreover, they were claiming a position proportionate to their voting strength — indicated that such a government would sooner or later have transformed France's position in the international institutions to which it belongs and France's international role, generally. This would have applied especially to the French position in the Community, and in the North Atlantic Alliance.

It is not that France has always been an easy partner in these and other institutions or in bilateral relations. Nor, without knowing the precise manner in which the post-election government will be composed, it is impossible to predict with precision how France will pursue its interests and conduct its policies in future. Still, it is fair to assume that France's broad international orientation will remain what it has been. This, certainly, is the assessment of the outside world and it seems difficult to see how it could be otherwise. Throughout the election campaign, France's friends and allies did little to hide both their skepticism about the French Commu-

nist party's readiness to play by democratic rules in office or their concern that a prospective left government would be likely to lead to a form of French isolationism.

French voters could not have been in doubt about these attitudes. The United States, indeed, made its concerns about the risks of Communist influence in Western Europe known officially as recently as two months before the election. Fears that this was a form of "intervention" in the political processes of other nations and would produce a backlash proved unfounded. Attempts to make it an issue in France were ineffectual.

### Sensitive

This is not to argue that the United States, or any other country, should make it its business to interfere in the elections of other nations. They remain, in democratic societies, among the most special and sensitive among national responsibilities. Yet when relations have become as closely entwined as those among the nations of the Western world, interrelations of many kinds are a constant occurrence. None of our countries are free from them; on the contrary, we pursue policies

and create or transform institutions in ways that make these interrelations more vigorous. None of us would have been immune from the effects had the French election had the outcome the polls predicted. Much is said inside and outside France about the dangers to democracy if governing and opposition parties do not periodically exchange roles. The principle is of course valid. Yet when the opposition includes Communists and they move to the threshold of power as they seemed to be doing in France, it is bound to become a matter of grave concern beyond the borders of the nations involved.

To express that concern, temperately and responsibly, is quite compatible with the standards of an interacting world of free nations. And it was proper that French voters in rendering their own ultimate verdict should have been aware of it.

Mr. Sonnenfeldt is a visiting scholar at The Johns Hopkins School of Advanced International Studies. He was counselor of the State Department from January, 1974, to January, 1977. He wrote this article for The New York Times.

## Letters

### Mideast Analysis

Aside from the wisdom of the United States holding fast on its sale of F-15s to Saudi Arabia, it is surprising that Evans and Novak's column (IHT, March 13) should describe Anthony Cordesman's Armed Forces Journal article as "exhaustive analysis" and, even more startling, an important source of President Carter's information on the Near East.

Without attributing to Mr. Cordesman anything more sinister than a possible assimilation of Pentagon irritation at Israel's requests for first-line equipment that compete with the Pentagon's own demands, his exhortation to "leash" the Israelis lest they destroy the armed forces that more than a hundred million Arabs can range against them can best be examined via a few citations from the article:

"He counts only Egypt and Syria as providing effective military opposition to Israel. Yet of the many other Arab states, Iraq alone, with at least as great a will to seek a military solution as Egypt or Syria, has 395 aircraft and 188,000 servicemen vs. 369 and 227,500 for Syria (quoted in International Institute for Strategic Studies, The Military Balance, 1977-78)."

"He lists 40,000 Israeli casualties in four wars without admitting any constraint on 'offensive capabilities.'"

"Surprise" is listed as an element of the Israelis' 1967 victory but not on the Arab side in helping them in their improved performance in 1973. He claims that Israel corrected "critical weaknesses" in force utilization revealed in the 1973 war and thus didn't need massive re-equipment, but the Arabs are without such "correction" options, despite Egypt's 1967-73 record.

"The tabulation of aid omits Saudi Arabian aid to Egypt, Syria

and Iraq, Russian aid to Syria and Iraq, and U.S. economic aid to Egypt of a billion dollars annually for the past several years which frees Egypt to use all its other resources in support of its armed force."

"Finally, although intervention in domestic politics has proven a disaster all over the world, Cordesman states: 'The United States can probably force the collapse of Begin's coalition.' And we now know that just slight steps in that direction have recently resulted in strengthening Begin's position at home. More important, the article did not contrast the democratic institutions in Israel that make it possible to change policies there with the absence thereof on the Arab side. It takes chutzpah to say that it was not U.S. interests which recently led President Carter to state that the United States will not use military aid to put pressure on the Begin government."

There is no question but that the United States must encourage both Israel and the Arabs to compromise, and continue to extend huge sums of money to both sides in the process. Pressuring Israel while the Soviet Union and the oil states build up the other side is not the answer.

STEVEN KLINE, London.

### Foe of Cloning

Re the various articles on cloning: In my opinion, cloning is unethical and immoral, an improper use of the reproductive power.

The Creator shares His creative power with man, and only in the context of marriage can man place such actions conducive to procreation, in accord with right reason.

In the procreation of a child—three are involved—a set of parents and God. Only God can create the soul.

## China's Long March To Attain EEC Goal

By Leopold Unger

BRUSSELS—China's long march to the Common Market finally reached its goal with the visit to Brussels by Peking's Foreign Trade Minister Li Chang.

This visit, which the New China News Agency qualified as a "major event in the relations between the two parties," inaugurates the "Red Spring" of the European Economic Community. Opened by Monday's signature of a trade agreement with China, it will continue through the East-West contacts in Geneva next Tuesday and Wednesday during the annual session of the Economic Commission for Europe, and end next month with a new meeting between a EEC delegation and the Comecon Secretariat in Moscow.

The agreement signed with China is the first trade accord between the EEC and Peking, an accord that was first initiated shortly after Jan. 1, 1975, when the EEC declared that the trade policy of its member-states would, henceforth, be the responsibility of the Community. Two months before that date, the EEC informed all third countries—including Communist countries—of its intentions by sending them a draft agreement to be negotiated with the Community.

### Silent

But while the Soviet Union and its Eastern European allies remained silent on the question, the reaction of Peking was positive, and on Dec. 3, a Chinese delegation initiated a formal accord in Brussels.

The most apparent significance of this agreement is its commercial objective: to increase trade between the two parties. Although the European Community is China's second most important trading partner—after Japan—the volume of European goods on a market of 900 million consumers is virtually nonexistent. Chinese-West European trade is now only at \$2 billion a year—one half of 1 per cent of EEC foreign trade. And at a time when China is working out a vast program of modernization and economic expansion, Europe may well be asked to play a greater role.

Yet, there is another significance to Mr. Li's visit to Brussels and it is more than merely economic. Since the end of its good relations with the Kremlin, and in particular, since the start of international détente—which, to the Chinese, is the first step in the neutralization of Europe—Peking has consistently warned against the dangers of "Soviet hegemony."

### Same Tune

All West European visitors to Peking have been carefully informed of this Chinese stance. Last week, Chinese Foreign Minister Huang Hua reaffirmed his country's "firm support to the Western European union against the superpowers." The People's Daily recently played the same tune over again a bit heavily by coming out vociferously in favor of Spain's immediate entry into the Common Market and criticizing the Soviet Union's opposition

to such a move as "interference in European affairs."

Moscow is fully aware of Peking's every diplomatic move in Europe. According to the Soviet weekly, Nedelia, China seeks to use its relations with the EEC to turn these countries against the Soviet Union. "The aim of the negotiations between China and the EEC are thus," according to the Soviet weekly, "to discredit the agreement reached at Helsinki, to aggravate the situation existing on the European continent and to reinforce the aggressive NATO bloc."

The Soviet concern over recent Chinese overtures could only have been increased by the visit to Peking last month of Sen. Henry Jackson, D-Wash., author of the amendment which blocked the granting by the United States of most-favored-nation status to the Soviet Union. Sen. Jackson, who was well received in Peking, had planned a trip to Moscow, but that trip was called off by the Kremlin at the last moment.

### Suspicion

However, this atmosphere of suspicion has not prevented Moscow from taking initiatives of its own. Following a recent exchange of letters, it appears now almost certain that Wilhelm Haferkamp, the EEC commissioner on foreign affairs, will enter into a new round of preparatory contacts with the Comecon in Moscow at the end of next month. According to Common Market sources, the decisive phase of those talks may well take place at a neutral site, Geneva, for example.

At the Geneva meeting next Tuesday, EEC officials will have ample opportunity to contact representatives of Eastern European nations. However, the climate for such talks is not at its best. The Soviet attitude at Belgrade, which forced the Western nations to accept a final communiqué that made no mention of human rights, has rendered it likely that Soviet proposals will be regarded coolly, particularly those concerning a broad European consultation on energy, transportation and the environment.

"The Helsinki agreement," a diplomat said, "is a whole, which cannot be chopped off by one third." In any case, and whatever the moral climate, the EEC Commission has decided to reject any formula that would attempt to equate the European Commission, an autonomous political institution, and the General Secretariat of Comecon, a technical body.

Therefore, all contacts, and all trade agreements will be the exclusive results of bilateral negotiations between the European Commission and each Eastern European country separately. In other words, the EEC does not intend to reinforce the prestige nor the role of the Comecon General Secretariat on the international level.

And the knowledge of this policy could have served only to broaden the smile on Mr. Li's face Monday as he left Common Market headquarters in Brussels.

Leopold Unger is a columnist for the International Herald Tribune.

position reporting by radio...until the ship touches an offshore point of pilotage. For narrow, crowded waterways such as the Channel or the Malacca Strait, one solution would be a convoy system such as that operated in the Suez Canal before it closed...

### A Black Tide

Henceforth, Prime Minister Raymond Barre has declared (IHT, March 24), tankers must come no nearer than seven miles to the coasts of France (except, presumably, while being taken into port). As they enter French territorial waters, they must signal their position, their route and any difficulties.

Is this the best that Mr. Barre can offer? (To get an idea of how, even acting alone, the French government might protect Brittany's land and waters, compare Noel Mostert in "Supership," Penguin, 1975, pp. 267 and 365-366):

"One way would be compulsory pilotage provided from an advanced point out in the Atlantic, such as a helicopter carrier on permanent station... another would be...compulsory course and

"Such unilateral action is relatively simple because the major tank terminals are, principally in...North America, Europe, and Japan. If tankers...risk...being...shut out from the ports they serve...they will comply... They should be compelled to discharge their tank washings on arrival under supervision... Inspectors...should check the survey and safety certificates of the ship, the status of all essential equipment, and the certification and conditions of service of the crew, with authority to impose...penalties..."

Breton rage is itself at present a black tide—and one that could be harnessed. As Mostert has shown, no less is at stake, ultimately but already, given the current rate of pollution by tankers, than the life or death of all the oceans.

DAVID DORRANCE, Paris.

هذا من الأصل





Volunteers clean the oil-covered beaches of Brittany, polluted by the tanker Amoco Cadiz.

### Expert Says Oil Spill Killed Parts of Brittany Coast

WASHINGTON, April 4 (UPI)—Parts of the coast of Brittany appear dead after the Amoco Cadiz oil spill last month and creatures in other areas are dying "at a very high rate," a U.S. scientist reported yesterday.

Dr. Jerry Galt of the National Oceanographic and Atmospheric Administration, a member of a U.S. team that went to

France to study the spill, said the major part of the cleanup is uncompleted.

In a report to the administrator of his agency, Richard Frank, and to reporters, Dr. Galt said the type of oil released by the March 16 wreck — light Middle East crude — combined with a high spring tide, storms and the closeness of the wreck to the shore, make the impact very severe.

Because the Amoco Cadiz ran onto the rocks so close to shore, he said, nothing probably could have been done to keep its 230,000 tons of oil from washing ashore in thick, brown sheets.

The oil blanketed 100 miles of the coast, with the heaviest concentrations relatively close to the wreck.

### Over U.S. Shipbuilding Program

## Navy Secretary, Administration at Odds

WASHINGTON, April 4—Seven years ago Graham Claytor Jr. broke with his fellow railroad executives when he kept the Southern Railway Co., which he then headed, out of the national Amtrak system.

Now, as secretary of the Navy, Mr. Claytor is preparing for what could be an open break with President Carter and Defense Secretary Harold Brown over administration plans that the former businessman — and most of the nation's admirals — believe will undermine the strength of the U.S. fleet and reduce the Navy's role in preserving national security.

The dispute, which has been raging inside the Pentagon for months, will break into the open Thursday when Mr. Claytor is questioned by a House Armed Services subcommittee about Mr. Carter's five-year shipbuilding plan, which would cut Navy requests virtually by half.

In effect, Mr. Claytor is faced with two unattractive possibilities. He could support the administration's announced policy, as custom dictates, in spite of his reservations, or he could urge

Congress to overrule the President and the defense secretary, his governmental superiors.

The issue goes far beyond the possibility of a personal confrontation between the President and one of his appointees. But Mr. Claytor's dilemma is a microcosm of the governmental debate over the Navy's role during the rest of this century and the early decades of the next.

Although he is the first Annapolis graduate to serve in the White House, Mr. Carter has assigned a peripheral role to the Navy in the years ahead while emphasizing Army and Air Force programs to bolster the European defenses of the North Atlantic Treaty Organization.

The administration has announced plans for the construction of 70 new ships and the rehabilitation of 12 more during the next five years. This includes six Trident missile-firing submarines and a diesel-powered aircraft carrier. There was no provision for building a new nuclear-powered carrier, the kind of ship the admirals would most like to have.

According to a source familiar with the process, the defense sec-

retary recommended the lowest of several options considered within the Pentagon. The source said that Mr. Carter had accepted the proposal as submitted, except that he increased the number of proposed Tridents, the largest submarines ever designed, to six from five.

By coincidence, the administration's shipbuilding plan was issued just 24 hours after the Navy had submitted to the White House a highly classified study calling for a much larger fleet than the one that would result from the Carter policy.

An unclassified summary of the report, titled "Seaplan 2000," said: "The overall fleet size is threatening to decline below [the level] necessary for the containment of serious crises and the retention of flexible options for the deterrence of major war."

© Los Angeles Times

**California Crash Kills 1**  
REDDING, Calif., April 4 (AP)—A skidding car crashed into a bus carrying a church group on a rain-slickened highway Sunday, killing the driver of the car and injuring 12, the California Highway Patrol said.

## Toon Sees Negative Effect on Soviet Relations

# Shcharansky Trial Worries U.S. Envoy

By Peter Osnos

WASHINGTON, April 4 (WP)—The U.S. ambassador in Moscow, Malcolm Toon, warned in a broadcast yesterday that a trial of jailed Soviet dissident Anatoli Shcharansky would have a "very negative effect" on Washington's already difficult relations with the Kremlin.

"I think this is a very serious question," Mr. Toon said in an interview taped in Moscow by the Voice of America, "and I think the Soviet side ought to look at it seriously."

Mr. Shcharansky, a 30-year-old computer specialist, sought unsuccessfully to emigrate to Israel and was arrested a year ago after the Soviet press accused him of spying for the United States. President Carter has flatly denied the allegations. A trial of Mr. Shcharansky, possibly on treason charges, could occur at any time, according to reports from Moscow.

Mr. Toon, who taped the interview with VOA correspondent Mark Hopkins on Friday, also was critical of the Soviet stance in the strategic arms talks with the United States as well as the Kremlin position in the Middle East and the Horn of Africa.

### Blunt Remarks

The ambassador's remarks were notable in several respects. Career diplomats such as Mr. Toon rarely speak so bluntly in

public about the policies of governments to which they are accredited, particularly one as sensitive as the Soviet Union.

Moreover, Mr. Toon's comments on the Shcharansky case amount to a prediction that the United States will respond sharply in other areas of U.S.-Soviet relations should the trial go forth — the sort of direct "linkage" between issues that administration spokesmen had sought to avoid in the past.

"I think all of us that focus on the relationship between Moscow and Washington," Mr. Toon said, "feel strongly that a Shcharansky trial, and a brutal move against Shcharansky, will have a very negative effect on our relations and it will make it very difficult indeed for us to do the sorts of things which I think both of us feel are essential to peace and stability in the world."



Malcolm Toon

On the Strategic Arms Limitation Talks, the ambassador was critical of the Kremlin for blaming the United States exclusively

in the present stalemate.

"The Soviets," he said, "bear as much responsibility for the present situation as we do. For our part we continue to work and hope for a SALT treaty in the near future. But in all frankness, the process is not served by a campaign of threats and charges such as we see at the present time in the Soviet press."

He was referring primarily to a major article in the Communist party newspaper Pravda last week warning of serious deterioration in the Soviet-U.S. relations if the United States does not accept a SALT accord.

Mr. Toon has been in Moscow since the end of 1976 but his appointment was delayed for several months because of Soviet reluctance to accept him. Mr. Toon had served in the Soviet Union before and had never made a secret of his disapproval of Kremlin policies.

## 81 Are Arrested in Australian Medical Fraud

SYDNEY, April 4 (AP)—A multimillion-dollar social security and health benefits fraud centering in Sydney's Greek community was broken during the weekend with the arrest of 81 persons, police said.

Authorities said that the arrests were made in the largest police raid in Australia's history. At a press conference yesterday, Chief

Inspector Don Thomas of the Commonwealth police said that nine persons were alleged to have run the racket, including four Greek agents and five Australian doctors.

A prosecutor said the four Greeks recruited people and took them to the doctors to obtain certification for benefits. He said the agents received the equivalent of

about \$1,000 from each patient.

About 1,200 persons, including 300 now living in Greece, received illegal payments from the government, police said.

Commonwealth police said the operation, which began in 1971, cost the government more than \$9 million a year.

## U.S. Office in Lahore Attacked by Grenade

LAHORE, Pakistan, April 4 (UPI)—A terrorist riding a motorcycle lobbed a hand grenade over the wall of the U.S. consulate in Lahore yesterday, but exploded harmlessly in the courtyard, police said.

U.S. officials said that practically no damage was done in the grenade attack, but police were notified. No arrests were made.

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## MOVIES IN PARIS

## Truffaut in a Melancholy Mood

by Thomas Quinn Curtiss

PARIS, April 4 (IHT)—In "La Chambre Verte" (at the Biarritz, the Danton and the Montparnasse Bienvenue), François Truffaut gravely improvises themes suggested by Henry James and Proust.

Ten years after the 1918 armistice Julien Davenne, a provincial journalist shattered by battlefield horrors and the death of his young wife, lives in brooding isolation. In his house he has converted the nuptial chamber to a shrine to his beloved and to those deceased authors and artists he admires.

A secretive neurotic, he exudes himself from the present as

far as that is possible, but discovers a sympathetic companion in a girl who works in an auction hall. To some degree she shares his obsessive nostalgia, for she, too, has had tragic losses, but her response to the call of life defers her to the luring music of annihilation that seduces the distressed journalist.

The scenario is novel and provocative, though whether a philosophical discourse on death's barriers to moviegoer taste remains to be seen. The somber situation is honestly set forth, but with scant theatrical flair. Its ideas are sometimes aptly applied as, in the scene in which Davenne would comfort a bereaved friend who rebels at a sentimental funeral oration, but there is a want of variety to the tone and pace of the script's traffic.

Truffaut himself impersonates the melancholy protagonist with

dignified sincerity, but an actor of wider range and richer histrionic resources might have varied the characterization beneficially. The central figure is a monomaniac, but it does not follow that his portrait should therefore be steadfastly one-dimensional. In a word, Truffaut looks the role rather than acting it.

Nathalie Baye brings flickering illumination to the general gloom as the girl who can accompany the mourning hero only part of the way on his lonely journey to recapture the past. The haunting quality of this strange film clings, despite the restricted scale of its realization. On the same program is a stunning short, a documentary on Renoir, recording his career by use of his paintings. Its author is Roger Leenhardt.

The second half of Franco Zeffirelli's "Jesus of Nazareth" is at the Arlequin (in English). Shot as a television "special," it was probably devised to be seen in brief segments as a serial. Now its individual sequences have been strung together to form a feature film. This visits upon it a jolting continuity; it lacks the smooth transition that would impart it with cinematic rhythm.

Anthony Burgess's screenplay, beginning here with Jesus's entry into Jerusalem, narrates in simple terms and plain language the great story: the chosen people, the driving from the temple, the garden, the betrayal, Christ before Pilate, the Crucifixion and the Resurrection. His version has papal approval, but it has stirred dispute in Italy.

Giovanni Franzoni, a biblical scholar and former abbot of Saint Paul's Basilica, has objected to its hypothesis that Jesus knew the Zealots and that he personally met one of these, Barabbas, whom he tried to convince that the Romans could be defeated not by violence but only by love and pardon. Though this would seem to be an orthodox Christian message, Franzoni argues that it



François Truffaut  
... director as star.

has contemporary political implications.

Pictorially, the film is handsome, but much of the acting is pompous and wooden and not a little absurd, all the principal roles being taken by familiar screen faces, a disturbing collection of misplaced people. Among them are Anne Bancroft, Ernest Borgnine, Anthony Quinn, James Mason and Rod Taylor. The result imposes an embarrassing strain and the mighty materials of the drama, though paraded in a production of technical sheen, fail to rise to moving tragedy. Close-ups of Robert Powell as the Jesus of the occasion are scarcely a satisfactory substitute, aesthetically, for the canvases of Bellini, Fra Angelico and Raphael, which the camera composition strives to imitate.

"Stay Hungry" (at the MacMahon, the Racine and the Olympic Entrepot in English) is by Bob Rafelson, who made "Five Easy Pieces," an admired experiment which sought to impose Chekhovian moods on an account of American family life.

In his new film Rafelson invades the Tennessee Williams country of the New South. Starting as a rough melodrama set in an Alabama town in which an heir to a stately mansion acts as an agent for an underworld gang, it changes complexion midway and turns slapstick. Its conclusion is routine and anticipated. Jeff Bridges is the scion of the plantation family and Arnold Schwarzenegger, the star of "Pumping Iron," the champion Austrian muscle man, is an earnest nature boy who plays hillbilly fiddle and prefers to stay hungry after observing the mores of the idle rich.

An odd chowder, it has some rewarding comic scenes.

Vanessa Redgrave Uproar  
Dreyfuss, Keaton  
Take Top Oscars

HOLLYWOOD, April 4 (AP)—Richard Dreyfuss, the erstwhile actor in "The Goodbye Girl," and Diane Keaton, the willful sweetheart of Woody Allen in "Annie Hall," were named best performers of 1977 at the 50th Academy Awards ceremonies Monday night.

Vanessa Redgrave, the anti-Nazi martyr of "Julia," and Jason Robards, who played mystery writer Dashiell Hammett in the same film, won Oscars as best supporting players.

Miss Redgrave began the awards with a minor uproar by congratulating Academy voters for standing firm against "Zionist hoodlums." Although her award was applauded, some members of the Music Center audience booed her words.

The British actress had aroused condemnation by the Jewish Defense League for a pro-Palestinian documentary film she sponsored.

The awards for best director and best original screenplay went to Woody Allen for "Annie Hall." Allen, who remained in New York, has said in interviews that he finds competition for artistic awards distasteful.

"Star Wars," the top money-grossing film of all time, racked up several early awards, including best score and best visual effects.

Outside the Music Center, groups of Jewish and Arab protesters gathered hours before the ceremony began to protest and support Miss Redgrave's nomination. Demonstrators' shouts mixed with the cheers of excited movie fans as the parade of celebrities arrived by limousine.

## Period of Chaos

During a brief period of chaos that prompted police officers to don helmets, five persons among a group led by the Jewish Defense League were arrested, including one police officer. Most demonstrators left after Miss Redgrave received her award.

Backstage, Miss Redgrave defended her position, declaring "I'm opposed to Zionism, but of course I'm on the side of all Jews in their struggle against Fascism and racism."

Robards' Oscar went uncollected because he is in New York ap-

pearing in the Eugene O'Neill play, "A Touch of the Poet." His nonappearance prompted emcee Bob Hope to speculate, "He's probably playing bridge with Marlon Brando and George C. Scott."

Robards' win is the first back-to-back award for a supporting actor. His performance as Washington Post Editor Ben Bradlee in "All the President's Men" was honored last year.

The French-made "Madame Rosa," starring Oscar-winner Simone Signoret, was selected best foreign-language film.

"You Light Up My Life," the title song from the Joseph Brooks' film, scored as best original song to no one's surprise. The record by Debby Boone has been termed by Billboard Magazine as the best-selling popular record of all time. Sales so far amount to \$4.5 million. Other awards won by the Brooks song include a Grammy and Golden Globe.

"A Little Night Music" was named best adaptation score for the work of Jonathon Tunick. The cinematography honor went to Vilmos Zsigmond for his achievement with "Close Encounters of the Third Kind."

## Short Films

The National Film Board of Canada collected both short film Oscars for "I'll Find a Way" and the animated "Sand Castle." The feature documentary winner was "Who Are the Deobots? And Where Did They Get Nineteen Kids?" The documentary short award went to "Gravity is My Enemy."

Miss Redgrave's acceptance speech was a fiery and impassioned political statement. Addressing the audience, she said: "You should be very proud that in the last few weeks you stood firm and you refused to be intimidated by the threats of a small bunch of Zionist hoodlums whose behavior is an insult to the stature of Jews all over the world and to their great and heroic record of struggle against Fascism and oppression. I salute all of you for having stood firm and dealt the final blow against that period when Nixon and McCarthy launched a worldwide witch hunt against those who tried to express in their lives and their work the truths that they believed in."

Holding her Oscar aloft in triumph, she ended, "I salute you and I thank you and I pledge to you that I'll continue to fight against anti-Semitism and Fascism."

Although she ended her speech to thundering applause, there was an outbreak of booing with the words "Zionist hoodlums."

Outside, beneath a 50-foot-tall vinyl-coated nylon Oscar that swayed on top of the Los Angeles Music Center last night, members of the Jewish Defense League and a smaller number of supporters of the Palestine Liberation Organization—who were demonstrating in behalf of Miss Redgrave—were kept apart by lines of police and special security officers.

## Other Controversy

In addition to the controversy over Miss Redgrave, two other organizations have publicly protested the 50th Annual Academy Awards. Monday afternoon, Robert Stigwood, producer of "Saturday Night Fever," sent a telegram to the Academy's board



INSIDE—Vanessa Redgrave accepts award.



OUTSIDE—Demonstrators protest Vanessa Redgrave.

of governors expressing his anger "at the total exclusion of the Bee Gees and their original music for 'Saturday Night Fever' from any and all music nominations."

The original sound track album of "Saturday Night Fever" has recently become the largest selling film sound track album in history with a sale to date of over 9 million records, but the music failed to be made even a preliminary selection by the Academy's music board.

Last Wednesday, Panavision boycotted the Academy's presentation of technical awards. Panavision rejected a Class Two award for its Panaflex camera and insisted that the camera was worthy of a Class One award. Panavision president Robert Gottschalk said the main reason for the refusal was that only one cameraman was among the 36 members of the Academy's scientific and technical awards committee when the awards were voted. Panavision also rejected two Class Three awards for its

Panahed and Panalite mechanisms. The awards show itself was a return to the opulence and glamor of years past after the deliberately austere show produced last year by William Friedkin, director of "The Exorcist."

It opened with a lavish production number starring Debbie Reynolds and 30 dancers. The number, "Look How Far We've Come," spotlighted 37 former Academy Award winners in acting, directing, writing, cinematography, music and costume design.

For the 15th time, Bob Hope served as Master of Ceremonies. He was the sole emcee, as he has been in eight previous years. It was the first time since 1967 that the show has had only one emcee. "We felt that for Oscar's 50th birthday, Bob Hope should be host," said Howard Koch, president of the Academy.

The Academy Awards show was seen on ABC television. The show will be broadcast in 51 countries, live and on tape.

Man Held in Slashing  
Of Poussin Painting

LONDON, April 4 (AP)—Salvatore Borzi, a 27-year-old Italian arrested after a painting was slashed yesterday in the National Gallery, appeared at Bow Street Magistrate's Court today and was ordered held in custody for a week to await further proceedings.

Mr. Borzi, a London resident, was not asked to plead at this stage to charges of causing criminal damage and going equipped to commit criminal damage in the knife-slashing of Nicolas Poussin's "The Adoration of the Golden Calf."

Archaeologists  
Find Rain God  
In Mexico City

MEXICO CITY, April 4 (UPI)—Archaeologists are doing their share this year to end the dry season while digging up ancient Aztec relics in downtown Mexico City.

Workmen trying to find the base of the Aztec Great Temple have unearthed a carved image of the Aztec rain god Tlaloc and a number of other archaeological treasures.

Central Mexico's chronic rain shortage made Tlaloc one of the most holy deities among the countless Aztec gods.



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## Canada Acts To Bolster Its Dollar

### Raises Bank Rate, Expands Credit Line

OTTAWA, April 4 (AP-DJ)—Canadian monetary authorities moved yesterday to bolster the sagging Canadian dollar.

The Bank of Canada increased its bank rate as of today to 8 1/2 percent, the level that has prevailed since March 9, when the rate was increased from 7 1/2 percent. Today, the nation's leading commercial banks increased their prime lending rate to 9 1/4 percent from 8 3/4 percent.

The Finance Department announced separately that the amount the Canadian government may draw under its revolving standby credit facility with Canadian banks is being increased to \$2.5 billion (U.S.) from \$1.5 billion.

The moves followed a day of renewed pressure on the dollar, which fell below the level of 88 U.S. cents for the first time in 45 years, closing in Toronto at 87 1/2 U.S. cents, down from 88.18 cents Friday.

[But after opening this morning at 88.30 cents, the Canadian unit fell back to 87.84 cents in late afternoon trading. Dealers said the bank-rate hike was insufficient to sustain a higher dollar rate. They said concern about inflation and the political situation in Quebec overshadowed the benefits of the bank-rate increase, Reuters reported.]

Bank of Canada governor Gerald Bovey said the decision to raise the bank rate was taken "in light of the current downward pressure on the foreign exchange value of the Canadian dollar in the present monetary market."

The central bank has intervened heavily in the foreign-exchange market in recent months, drawing U.S. dollars from the official reserves to buy Canadian dollars on the foreign-exchange market. But for a \$750-million drawing on its U.S. dollar credit line with Canadian banks, the official reserves would have fallen a further \$478.7 million last month. As a result of the drawing, the reserves rose \$271.3 million to \$3.97 billion on March 31 from \$3.7 billion at Feb. 28.

Mr. Bovey said the central bank was giving "high priority" to its conduct of monetary policy to the external value of the Canadian dollar.

He said some of the pressures on the dollar resulted from the co-incidence of seasonal weakness in the current-account and a temporary lull in the volume of foreign borrowing by provinces, municipalities and corporations.

## Estel Posts Wider Loss In Quarter

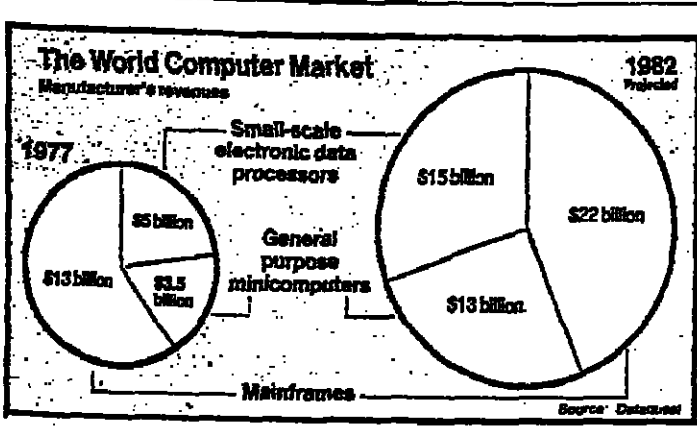
NIMEGEN, The Netherlands, April 4 (Reuters)—Estel NV Hoechst Hoogovens lost 153.5 million guilders (about \$71.4 million) in the fourth quarter of 1977 against net earnings of 25.2 million guilders a year earlier and a net loss of 93.1 million guilders in the third quarter, the company reported today.

The loss for 1977 came to 416.9 million guilders compared with a loss of 68.9 million the previous year. Fourth quarter sales rose to 2.59 billion guilders from 2.41 billion in 1976. Sales in the year also rose to 10.14 billion guilders from 9.31 billion.

Estel said its Dutch Hoogovens division lost \$7.4 million guilders in the last quarter of 1977, compared with a profit of 16.1 million a year earlier.

This loss is not entirely due to the continued decline in prices for rolled steel but also to the lower usage of production capacity prompted by a dearth of new orders, the company said. Production in the rolled steel division in the period was down 12 percent from the previous quarter at 1.98 million tons.

The company added that trading results in the first quarter of this year are likely to remain unfavorable.



## IBM Minicomputers Get Share of Expanding Market

NEW YORK, April 4 (NYT)—International Business Machines has established a beachhead in the swiftly growing market for minicomputers.

Sales of these machines—introduced in 1965 to perform narrow tasks such as controlling machines in factories but which are now pushing their way into wider applications in business offices—have been increasing worldwide at better than 35 percent a year. This compares with a 15-percent growth rate for the large, or mainframe, computers on which IBM has concentrated in the past.

IBM, which entered the minicomputer market in November 1976 with the first shipment of its Series-1 model, now has hundreds installed and thousands more on order.

So far, according to industry observers, IBM's still-small volume of sales of the Series-1, estimated at \$50 million for 1977, has not hurt the leading manufacturer. These include Digital Equipment, with \$12 billion in minicomputer revenues last year; Hewlett-Packard, nearly \$400 million; and Data General, nearly \$300 million.

Instead, IBM is said to be expanding the overall market for minicomputers. Input, a California-based planning concern, forecast last autumn that IBM would ship \$1.2 billion of Series-1 equipment as early as 1981. This would represent a 16-percent share of an estimated world total of \$7.4 billion, but IBM's equipment would have expanded the total market by 8 percent.

And in a survey in December and January of about 12,000 present or potential minicomputer customers, the trade magazine, Mini-Micro Systems, found plans to purchase a total of 29,700 minicomputers during 1978, of which 4 percent were IBM machines.

Robert Umbreit, a director at IBM's General Systems division, said that "so far we've felt rather a synergistic effect" from Series-1. Many of the machines, he said, are being installed in networks linked to mainframe computers as the IBM System-370 or its newly introduced mainframe processors, called 3031, the 3032 and the 3033.

## First Quarter Indexes Up, As Are Pitfalls on Wall St.

NEW YORK, April 4 (AP-DJ)—The Dow Jones industrial average fell 8.8 percent in the first quarter, the American Exchange index rose 0.8 percent, the Nasdaq index of over-the-counter stocks was up 1.1 percent and the Value Line composite index also advanced 1.1 percent. Moreover, advancing issues outnumbered declines by about 2-to-1, both on the Amex and over-the-counter.

However, brokers' tributes to the "bull market" in secondary stocks may be glossing over the fact that opportunities to make money in such issues were increasingly subject to pitfalls in the quarter ended Friday, according to an analysis of statistics provided by Interactive Data Corp., a computer time-sharing concern serving New York's financial community.

The statistics also indicate: Although winners outnumbered losers, the 30 biggest losers in total market value on the Amex dropped more than \$1.5 billion during the quarter while the 30 biggest market-value gainers were up only \$663 million.

Among Nasdaq stocks, the 30 biggest declines in market value totaled \$939 million. The 30 largest market-value gainers were up \$750 million.

The drop in the value of all outstanding shares of International Business Machines was nearly \$5.6 billion, or almost six times as large as the entire market-value increase of \$959 million on all Amex and Nasdaq stocks. The full Amex list rose \$111 million in market value; the Nasdaq list was up \$848 million.

Risks in Secondaries Up The statistics do not detract, of course, from the very real success of some investors and traders in the less-recognized stocks. But they do suggest that risks in secondary stock selection have increased. Alongside a number of secondary stocks rising 100 and 200 percent were some that also dropped from 30-to-70 percent in value.

As for the general level of wealth, the rise in value of less than \$1 billion in Amex and Nasdaq issues was overwhelmed by a decline of \$39.5 billion in the total value of stocks listed on the New York Stock Exchange.

In addition to IBM, large declines in total market value were registered by Sears Roebuck, \$1.8 billion; Exxon, \$1.6 billion; Eastman Kodak, \$1.4 billion; and Procter & Gamble, \$971 million.

Biggest increases in total value were American Telephone & Telegraph, \$486 million; Boeing, \$250 million; SmithKline, \$206 million; Eli Lilly, \$194 million; and TeleDyne, \$194 million.

In percentage terms, the biggest gainer on the Big Board was Verex, formerly CMI Management, up 111.5 percent to 29 percent.

## Pan Am Set To Buy 26 TriStars

### Rolls-Royce to Be Supplier of Engines

LONDON, April 4 (AP-DJ)—Rolls-Royce Ltd. said today that it has concluded an agreement with Pan American World Airways which could be worth more than £250 million to the U.K. company.

Pan American is to buy 12 long-range Lockheed TriStar L-1011-500 jetliners to be equipped with the Rolls-Royce RB-211 engines. Pan Am also has taken options to buy a further 14 long-range TriStars, Rolls-Royce said.

Rolls-Royce said the value of its engines for the 12 aircraft ordered is nearly £65 million and with spares will exceed £114 million. The additional engines for the 14 aircraft on option plus spare parts are expected to bring Rolls-Royce a further £145 million, the company said.

The first aircraft is scheduled for delivery early in 1980. Rolls-Royce chairman Sir Kenneth Keith said "this is a tremendous order for Rolls-Royce and will underpin both us and our Lockheed partners."

[In Los Angeles, Lockheed chairman Roy Anderson said the Pan Am purchase would be worth between \$500 million and \$520 million to Lockheed. He said the order will not immediately lift the L-1011 program to profitability because delivery of the planes is not set to start until 1980, Reuters reported.]

["The L-1011 will still be on an unprofitable basis for a couple of more years until deliveries start," he said. "After that, it will have a significant impact on L-1011 operations." [He said that the most important immediate impact of the order is that it will help increase the production rate to the breakeven point.]

## Dollar Steadies In Tokyo; Stock Prices Rebound

TOKYO, April 4 (AP-DJ)—The dollar steadied near its record low against the yen in moderate trading here today. Meanwhile, Tokyo Stock Exchange prices rebounded with the Nikkei Dow index setting another record.

An announcement that export letters of credit in March rose 30.6 percent on a dollar basis from a year earlier to a record high did not help the yen very much. Foreign-exchange traders said the figures were expected, as was the announcement yesterday that reserves soared.

The dollar closed at 218.325 yen, up slightly from the record low close yesterday of 218.175 yen. The dollar had traded earlier at 218.80 yen and opened at 218.50 yen.

The Nikkei Dow index gained 49.41 points to a record 5,479.74, up 7.72 points from the prior record set Saturday. Brokers said there is still a heavy surplus of funds at trust banks, insurance companies and pension funds with much of these funds shifting to the stock market from bonds.

Three Nasdaq stocks more than tripled: Ortex, up 271 percent (to 1 1/2%); Pasta King, 257 percent (to 6 1/4%); and Apollo Lasers, 225 percent (to 1 1/2%).

Biggest Nasdaq losers were Cine Video, off 72 percent (to 1/2%); Investment Annuity, 67 percent (to 1/2%); and Pacific Far East Line, 55 percent (to 4%).

## Bundesbank Intervention Seen Not Dangerous

FRANKFURT, April 4 (AP-DJ)—Intervention by the Bundesbank in the foreign exchange market does not currently pose a danger to West German price stability nor to control of the money supply, Oskar Emminger, Bundesbank president, said today in an article in the Frankfurt Allgemeine Zeitung.

The Bundesbank can tolerate a temporary overstepping of its 8-percent money-supply growth target for 1978 because there is no general sign of a strong pickup in domestic demand and because the effect of the rise in the Deutsche mark has been to dampen prices.

Mr. Emminger said that "sudden sharp reactions to stem the growth of the money supply wouldn't benefit the domestic economy nor would they fit into the international landscape." He denied that the current situation is a replay of that in the early 1970s when, under the system of fixed exchange rates, the Bundesbank intervened heavily to support a specific dollar-DM rate, thus fueling inflation.

## FINANCIAL NEWS AND NOTES

### Deutsche Bank Cutting Dividend

Deutsche Bank plans to cut its dividend for 1977 to 9 Deutsche marks per share from 10 DM paid in 1976. The bank indicated that net profit totaled 282.8 million DM in 1977, up only slightly from 280 million DM in 1976. Shareholders will be asked to approve the cut at the May 18 annual meeting. The bank says that changes in West Germany's corporate tax law mean that domestic shareholders will receive a higher payout despite the drop in the dividend due to tax credits. As a result of the corporate tax reform, domestic shareholders will receive a total payout of 14.06 DM per share.

### Airco-BOC Vie Over Marietta Bid

A series of maneuvers in and out of the boardroom have entangled the battle over the future of Airco. Officers of BOC International Ltd. announced at the opening of an Airco board meeting that BOC, as majority owner of Airco, had changed the company's bylaws to require a unanimous vote of directors to approve a merger proposal. Nevertheless, Airco directors approved by a vote of 10-3 a conditional \$50-per-share merger proposal from Martin Marietta and

launched efforts to call a special stockholders' meeting in early May to vote on the merger—a move that BOC called invalid. Meanwhile, a New Jersey state securities official issued an order that would prevent BOC from voting Airco shares that it acquired after Jan. 4 which gave BOC majority ownership. The maneuvers appeared likely to move the focus of the battle to a federal court where Airco and BOC have filed litigation against each other.

### Japan Auto Sales Set a Record

Sales of new motor vehicles in Japan set a record in March, and the uptrend is continuing, industry sources in Tokyo report. New vehicle registration, excluding minicars, totaled a record 453,717 units, up 9.5 percent from the year-earlier month and up 66.3 percent from February. One analyst suggests that the surge in auto sales might be the long-awaited sign of a general recovery in overall consumer spending. The previous record was set in March 1973 at 432,207 units. The auto industry has shifted its emphasis to domestic sales as the export environment becomes increasingly hostile and price competitive because of the sharp appreciation of the yen.

## NYSE Prices Gain in Moderate Trading

NEW YORK, April 4 (IHT)—Prices closed higher on the New York Stock Exchange today in moderate trading, aided by the dollar's rise in the foreign exchange market.

The market was restrained by speculation that the Federal Reserve will raise the discount rate, the rate it charges member banks for loans, driving other interest rates higher.

The Dow Jones industrial average finished up 4.33 points at 755.37. Advances led declines by about eight to five.

Volume totaled 20.13 million shares, down from 20.23 million yesterday.

Peter Paul, halted briefly, dropped one to 24 1/2. The Federal Trade Commission is investigating its proposed merger into Cadbury Schweppes.

Jewel Cos. dipped 1 1/2 to 19 and Skaggs, delayed from trading nearly all session, retreated 1 1/2 to 20 1/2. The two agreed to merge into a new firm, with Jewel holders receiving 0.86 new share and

Prices on the American Stock exchange closed higher in moderately active trading.

In Chicago, wheat futures advanced sharply and corn edged higher on the Board of Trade after House and Senate conferees gave a tentative stamp of approval to legislation designed to boost grain prices. Soybean contracts, after fluctuating erratically during the session, closed mostly higher.

Conference committee members tentatively agreed to an emergency farm package that would pay farmers to cut wheat and corn production, as well as increase government price supports for those grains.

### U.K. Reserves Down For Second Month

LONDON, April 4 (AP-DJ)—Britain's official reserves fell \$381 million in March to \$20.32 billion, the Treasury reported today. The drop follows foreign currency borrowings by the public sector of \$43 million and repayment of \$143 million.

Reserves of gold, special drawing rights and convertible foreign currencies had declined \$167 million in February from January's record \$20.87 billion. Prior to February, reserves had advanced for eight consecutive months.

## Miller Lifts '78 Forecast On Inflation

### 'Urgent Progress' Needed to Cut Rate

WASHINGTON, April 4 (UPI)—Inflation will range between 6.5 and 7 percent this year—higher than previous administration projections—and unemployment could fall to 5.75 percent by year's end, Federal Reserve chairman William Miller told Congress today.

"We urgently need to make progress in lowering the rate of inflation, as well as to achieve further reductions in the unemployment rate," he said in a letter to Rep. Henry Reuss, D-Wis., chairman of the House Banking Committee.

Mr. Miller's updated forecast came as President Carter and his top economic advisers consider new ways to combat inflation which has become the No. 1 economic problem. Sources said Mr. Carter probably will announce his latest anti-inflation initiatives on April 13. The program may include a reduction in pay increases for federal employees as well as other measures.

On March 9, the day after Mr. Miller was sworn in to replace Arthur Burns as Fed chairman, Rep. Reuss asked him to supply his economic projections for 1978. In his reply today, Mr. Miller said that "because of continuing strong cost pressures" he would estimate an inflation rate of between 6.5 and 7 percent between the fourth quarter of last year and this year's final quarter.

In its budget assumptions made in late January, the administration predicted a 6.3-percent inflation rate.

Mr. Miller also said the jobs rate should improve to between 5.75 and 6 percent by the fourth quarter, compared to a previous forecast of 6.2 percent and the February rate of 6.1 percent.

For the economy as a whole, Mr. Miller predicted a 4-to-4.75 percent growth rate, compared to the administration's 4.7-percent projection.

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22nd March, 1978

**U.S. \$30,000,000**  
**Republic of Panama**  
9 1/2 per cent. Notes 1983  
(Extendable at Noteholder's Option to 1988)

Merrill Lynch International (Asia) & Co.  
Citicorp International Group - Asia  
Morgan Grenfell (Asia) Limited  
United Overseas Bank Limited, Singapore  
Singapore-Japan Merchant Bank Limited


The Nomura Securities Co., Ltd.  
First Chicago Asia Merchant Bank Limited  
Sun Hung Kai International Limited  
Singapore Nomura Merchant Banking Limited

ABN Finance Limited	Asia Pacific Capital Corporation Limited	ASIAC-Asian International Acceptances & Capital Limited	Ayala Finance (H.K.) Limited
BA Asia Limited	BCCI Finance International Ltd.	BNP Finance (Hong Kong) Ltd.	BT Asia Limited (A Member of the Baulmin Trust Group)
Bumiputra Merchant Bankers Berhad		Credit Lyonnais Hong Kong (Finance) Ltd.	Daiwa Securities (H.K.) Limited
DBS-Daiwa Securities International Limited	The Development Bank of Singapore Limited	Hambro Pacific Limited	Hill Samuel Pacific Limited
IBJ Finance Company (Hong Kong) Limited	Indomex Asia Limited	Inter-Alpha Asia (Singapore) Limited	International Credit Alliance Ltd.
Jardine Fleming & Company Limited	Kidder, Peabody & Company Limited	Korea Kuwait Banking Corporation	Kuwait Pacific Finance Company Limited
Manufacturers Hanover Asia, Limited	Merrill Lynch International & Co. Limited	Morgan Guaranty & Partners Limited	New Court Merchant Bankers Limited
New Japan Securities International (Hong Kong) Ltd.	The Nikko Securities Co. (Asia) Limited	The Nippon Kangyo Bank (Asia) Limited	Orion Pacific Limited
Nomura Europe N.V.	Nomura International (Hong Kong) Ltd.	Okasan International (Asia) Ltd.	Schroders & Chartered Limited
Sachan Merchant Banking Corporation, Seoul	J. M. Sassoon & Co. (Pte.) Ltd.	SBC Finance (Asia) Limited	Taiyo Kobe Finance Hongkong Limited
Singapore International Merchant Bankers Limited		Sumitomo & East Asia Limited	UBAN-Arab Japanese Finance Limited
Tokai Asia Limited	Tokyo Finance (Asia) Ltd.	Trident International Finance Limited	Yamaichi International (H.K.) Ltd.
United Chase Merchant Bankers Limited	Wako International (H.K.) Limited	Wardley Limited	



Stocks and Div. in \$	P/E	Sts. 100s.	High	Low	Close Quot.	Ch'ge Prev Close	Stocks and Div. in \$	P/E	Sts. 100s.	High	Low	Close Quot.	Ch'ge Prev Close
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Stocks and D.V. in \$	Sta. P/E	Close High	Low	Open Prev. Close	Stocks and D.V. in \$	Sta. P/E	Close High	Low	Open Prev. Close
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Inv. in.	P/E	100s.	Stk.	High	Low	Close	Chgs	Prev	Stocks and Divs	P/E	100s.	Stk.	High	Low	Close	Chgs	Prev
Ames 100	8	21	32 1/2	32	32	—	—	—	Ames 25	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 25	9	21	32 1/2	32	32	21 1/2	—	—	Ames 50	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 50	8	21	32 1/2	32	32	21 1/2	—	—	Ames 75	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 75	8	21	32 1/2	32	32	21 1/2	—	—	Ames 100	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 100	8	21	32 1/2	32	32	21 1/2	—	—	Ames 125	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 125	8	21	32 1/2	32	32	21 1/2	—	—	Ames 150	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 150	8	21	32 1/2	32	32	21 1/2	—	—	Ames 175	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 175	8	21	32 1/2	32	32	21 1/2	—	—	Ames 200	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 200	8	21	32 1/2	32	32	21 1/2	—	—	Ames 225	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 225	8	21	32 1/2	32	32	21 1/2	—	—	Ames 250	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 250	8	21	32 1/2	32	32	21 1/2	—	—	Ames 275	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 275	8	21	32 1/2	32	32	21 1/2	—	—	Ames 300	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 300	8	21	32 1/2	32	32	21 1/2	—	—	Ames 325	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 325	8	21	32 1/2	32	32	21 1/2	—	—	Ames 350	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 350	8	21	32 1/2	32	32	21 1/2	—	—	Ames 375	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 375	8	21	32 1/2	32	32	21 1/2	—	—	Ames 400	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 400	8	21	32 1/2	32	32	21 1/2	—	—	Ames 425	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 425	8	21	32 1/2	32	32	21 1/2	—	—	Ames 450	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 450	8	21	32 1/2	32	32	21 1/2	—	—	Ames 475	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 475	8	21	32 1/2	32	32	21 1/2	—	—	Ames 500	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 500	8	21	32 1/2	32	32	21 1/2	—	—	Ames 525	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 525	8	21	32 1/2	32	32	21 1/2	—	—	Ames 550	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 550	8	21	32 1/2	32	32	21 1/2	—	—	Ames 575	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 575	8	21	32 1/2	32	32	21 1/2	—	—	Ames 600	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 600	8	21	32 1/2	32	32	21 1/2	—	—	Ames 625	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 625	8	21	32 1/2	32	32	21 1/2	—	—	Ames 650	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 650	8	21	32 1/2	32	32	21 1/2	—	—	Ames 675	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 675	8	21	32 1/2	32	32	21 1/2	—	—	Ames 700	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 700	8	21	32 1/2	32	32	21 1/2	—	—	Ames 725	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 725	8	21	32 1/2	32	32	21 1/2	—	—	Ames 750	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 750	8	21	32 1/2	32	32	21 1/2	—	—	Ames 775	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 775	8	21	32 1/2	32	32	21 1/2	—	—	Ames 800	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 800	8	21	32 1/2	32	32	21 1/2	—	—	Ames 825	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 825	8	21	32 1/2	32	32	21 1/2	—	—	Ames 850	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 850	8	21	32 1/2	32	32	21 1/2	—	—	Ames 875	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 875	8	21	32 1/2	32	32	21 1/2	—	—	Ames 900	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 900	8	21	32 1/2	32	32	21 1/2	—	—	Ames 925	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 925	8	21	32 1/2	32	32	21 1/2	—	—	Ames 950	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 950	8	21	32 1/2	32	32	21 1/2	—	—	Ames 975	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 975	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1000	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1000	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1025	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1025	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1050	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1050	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1075	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1075	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1100	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1100	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1125	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1125	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1150	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1150	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1175	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1175	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1200	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1200	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1225	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1225	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1250	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1250	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1275	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1275	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1300	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1300	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1325	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1325	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1350	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1350	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1375	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1375	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1400	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1400	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1425	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1425	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1450	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1450	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1475	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1475	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1500	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1500	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1525	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1525	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1550	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1550	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1575	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1575	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1600	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1600	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1625	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1625	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1650	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1650	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1675	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1675	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1700	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1700	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1725	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1725	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1750	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1750	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1775	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1775	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1800	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1800	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1825	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1825	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1850	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1850	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1875	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1875	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1900	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1900	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1925	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1925	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1950	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1950	8	21	32 1/2	32	32	21 1/2	—	—	Ames 1975	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 1975	8	21	32 1/2	32	32	21 1/2	—	—	Ames 2000	8	18	39 1/2	39 1/2	39 1/2	—	—	—
Ames 2000	8	21	32 1/2	32	32	21 1/2	—	—	Ames 2025	8	18	39					

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Curacao, Netherlands Antilles

**U.S.\$ 20,000,000**  
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February, 1978











